FBIS DAILY REPORT

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FORMER PRESIDENT MARIA ESTELA PERON RELEASED

PY061858 Buenos Aires TELAM in Spanish 1842 GMT 6 Jul 81

[Text] Buenos Aires, 6 Jul (TELAM)--Former President Maria Estela Martinez de Peron left the Justice Palace at 1535 local time accompanied by her lawyers, and Federal Judge Pedro Narvaiz has reported that she has been released.

The judge granted the release of the former president after consolidating two sentences, one on a real estate fraud charge and the other for mismanagement of the former Solidarity Crusade funds.

The former president left by car for the port area where she will board a helicopter which will take her back to her home in San Vicente suburban village.

FORMER MINISTER BORDA WARNS OF DANGER OF COUP

PY061726 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1400 GMT 4 Jul 81

[Text] San Miguel de Tucuman, 4 Jul (NA)--Guillermo Borda, former interior minister in Gen Juan Carlos Ongania's government, has stated that the current economic crisis "is affecting the country's power structure" and that if it is not solved soon "it could lead to a military coup."

Borda stated here that Ongania's government "was the most efficient government the nation has had for the past 50 years," but that it failed due to the coup led by Alejandro Lanusse, the last president of the Argentine revolution period.

In statements to the media in this capital, he also voiced concern over the current situation the country is experiencing. Borda came to this city to sit on the panel before which the doctoral thesis "Default in the Argentine Civil Law" was defended by Federal Judge Rene Padilla.

Borda also stated that "a military government is capable of carrying out an efficient economic policy. The fact that it is military does not prevent it from handling the economy properly, but what has happened is that things were badly managed."

In his opinion the current economic crisis is "affecting the power structure; therefore, an urgent correction is necessary if we want to prevent it from leading to very serious economic and social consequences."

When he was asked about the possibility of a coup he stated: "Another coup should not take place, but if the necessary measures to solve this very serious crisis are not adopted, a coup will undoubtedly take place."

Answering a question as to whether he thought there was any similarity between the current national reorganization process and the Argentine revolution he asserted: "There is nothing similar between them."

He said that "Ongania's government was the most efficient government the country has had in the past 50 years. It was a real pity it had to be interrupted for demagogic reasons."

Asked what he would have done about Peronism in the case of elections, he stated: "The results of an election must necessarily be clean--that is, it should respect the desire of the majority and this is undoubtedly what we should support."

He added: "But the problem lies in the question of the right moment for an election to be really positive, a moment which for the time being I believe we have not reached."

He pointed out that we have not reached that moment yet "because the political parties have not been capable of renewing their leadership structures and of attracting today's youth to join them. The great majority of Argentine youth is completely indifferent to the activities of the current political parties."

Asked whether he believed that Lanusse's exit in 1975 had been "clean" he stated: "His exit was clean in the sense that he respected the desire of the majority, but the events which took place after his exit proved that the time had not yet come to call for elections."

MASSERA LEAVES FOR ROMANIA; PARTY FORMING

PY061706 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2302 GMT 4 Jul 81

[Text] Buenos Aires, 4 Jul--Adm Eduardo Emilio Massera, former commander in chief of the navy, left for Romania this afternoon. It has also been reported that a political movement which will support the former member of the government junta has been created. Massera left at 1700 today for Zurich and from there he will go on to Romania where he is scheduled to give several lectures. Questioned by newsmen at Ezeiza International Airport, the former navy commander in chief refused to make comments and said his press office will issue a declaration after his departure.

At the same time it was disclosed that at a meeting held in this capital, political leaders of various leanings have decided to create a movement which will support Massera's political actions.

According to the information supplied by some of the participants, the meeting was attended by Admiral Massera himself, who reportedly endorsed the creation of this movement which will be made up of figures of various political leanings, independents, businessmen and union leaders.

Our sources have indicated that the movement, which plans to hold one rally in the capital and another in Rosario soon, would have a different, although convergent, framework from the political party which Massera is apparently setting up under the spiritual leadership of Vice Adm Eduardo Fracassi and Alfredo Vezza, editor-in-chief of the biweekly CAMBIO.

Among those who attended the meeting were former Senator Aldo Cantoni of the 12 de Mayo Liberation Movement of San Juan Province; Armando Molina Zavalia, former deputy of the Argentine People's Union; Col Jorge Obon, leader of the 24 de Febrero National Movement of Justicialist Leanings; Alberto Assef, chairman of the National Yrigoyenist Movement; and Arturo Rozas of Peronist extraction.

According to our sources, the idea of setting up this movement is prompted by the desire to give the former navy commander in chief the support of sectors or political figures who do not wish to join his party directly.

TRIAL OF JOURNALIST IGLESIAS ORDERED BY JUNTA

PY040221 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2354 GMT 3 Jul 81

[Text] Buenos Aires, 3 Jul (NA)--Although it has not been possible to obtain an official report, military and official sources confirmed today that the military junta held an unscheduled meeting yesterday which, at a certain point, the president of the nation joined and thus it became a meeting of the Military Committee.

Lt Gen Leopoldo Fortunato Galtieri, Adm Armando Lambruschini and Lt Gen Omar Rubens Graffigna met at the Libertador Building yesterday from 2000 to 2100. Soon after the meeting started, Lt Gen Roberto Eduardo Viola joined it.

It has been reported that the main issue discussed at the meeting was the decision to take legal action against LA PRENSA commentator Jesus Iglesias Rouco on charges of having committed the crime--punishable under the penal code--of divulging restricted or secret information related to the Vatican's mediation in the Argentine-Chilean southern border conflict.

After imparting instructions for the implementation and announcement of the above measure, General Viola went to the Olivos residence where he gave a luncheon for air force generals on active duty who were accompanied by their wives.

It has been reported in official circles that the luncheon was of a protocol nature, similar to the ones Viola had earlier with army major generals and admirals on active duty.

The military junta also reportedly discussed recent remarks made about the national situation by Adm Emilio Eduardo Massera, a former member of the junta and former navy commander, and recent remarks by Lt Gen Leopoldo Fortunato Galtieri.

Summing up, the military junta reportedly discussed the above two issues at the unscheduled meeting, about which no report has been released despite the inquiries made at the various offices of the armed forces commanders in chief.

Journalist on Procedures

PY041658 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1347 GMT 4 Jul 81

[Excerpt] Buenos Aires, 4 Jul (NA)--Jesus Iglesias Rouco, a journalist on the staff of the newspaper LA PRENSA, whom the government could indict for violating Article 222 of the penal code for having revealed a secret document, today considered that that official decision has a "positive aspect" because "this time the government has resorted to legal instruments" to carry out an investigation.

He added that "up to now" a "sustained enthusiastic timidity has been observed in Argentina" "and therefore we perfectly understand that it must have cost the government a lot to take that step." He again congratulated himself because "they want to hurt us with the right hand" which "is precisely the hand that should be used in this and in every case."

He then recalled the government decision of not giving official publications to LA PRENSA and the attack on Manfred Schonfeld, another member on the staff of the newspaper, which cost him the loss of five teeth. After stressing "that we cannot possibly tie one thing in with the other," he indicated that they were carried out by "leftist hands..." "either due to dialectical intentions, or, to put it that way, due to an identity complex with regard to the right hands with the intention of destabilizing them through scandals."

Finally, Iglesias Rouco recalled that "we have, as citizens, the duty and the satisfaction of respecting the law, and as journalists, that of reporting. Only in the states with communist or fascist codes is there incompatibility regarding this point."

FORMER POLICE CHIEF DENIES TIMERMAN CHARGES

PY032039 Buenos Aires HERALD in English 3 Jul 81 p 1

[Text] (NA)--Former Buenos Aires Province Police Chief General Ramon Alberto Camps has denied journalist Jacobo Timerman's allegations that he had been tortured while being questioned at police headquarters following his arrest in connection with the so-called "Graiver case."

In an interview published yesterday by GENTE magazine, Camps said that "Timerman did not suffer any harm" which "is attested to by the people who were with him."

Camps' statements are carried by GENTE in its latest issue, along with transcripts of tape recordings of Timerman's statements to the police after his arrest.

According to those recordings, Timerman, who is now living in Israel, acknowledged that LA OPINION, which he edited, followed a line "encompassing the whole leftist spectrum," which allegedly surprised the assistant editor of the now closed news daily, Uruguayan Enrique Jara, who in a confrontation with Timerman told the latter that, had he been aware of that, he would have resigned, together with many of his colleagues.

After saying that he personally ordered Timerman's arrest over the Graiver case, Camps repeated his statements about his feeling "pity" for Timerman's attitude of publicly alleging to have undergone torture during his questioning.

Camps stated that, by doing so, the journalist was "attacking the nation...which sheltered him for so many years as an Argentine citizen."

Camps said that every Timerman declaration was made at the headquarters of the provincial police, and that he had been present during the questionings, adding: "Furthermore, we have the statements by his brother, telling distinguished members of the Argentine press that Timerman had not been tortured."

Referring to allegations by Timerman in his book PRISONER WITHOUT A NAME, CELL WITHOUT A NUMBER that the former police chief had pressured him using a handgun, Camps said he had never "acted with disdain or played with" those who were under his responsibility.

Camps said he is writing a book about Timerman, and that one of the chapters will be written by Timerman's cellmate, whom the journalist said in his book had died under arrest.

According to the tape transcripts, the former editor of LA OPINION admitted to having published articles praising the extremists who were shot down in Trelew.

SOCIALIST INTERNATIONAL DELEGATION ARRIVES

PY030206 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1510 GMT 1 Jul 81

[Excerpt] Buenos Aires, 1 Jul (NA)--A delegation of the Socialist International, headed by Netherlander Marteen van Traa, arrived in Buenos Aires today in order to evaluate Argentina's political situation and examine the conflictive situation of local socialism.

The members of this Social Democratic delegation will contact all political sectors and leaders of the labor movement. A meeting has been scheduled, among others, with Peronist representatives; Former Ministers Antonio Cafiero and Oscar Albrieu; union leader Jose Rodriguez; and Dante Tapia Bracamonte, who is Bittel's [not further identified] personal representative in Buenos Aires.

Members Comment

PY052350 Buenos Aires HERALD in English 5 Jul 81 p 13

[Text] (NA)--The members of the mission sent here by the Socialist International, who have been in the country since June 30, yesterday told the ministers of foreign relations, interior and justice that they were concerned about political prisoners, the prolonging of the state of siege and the problem of missing people in Argentina.

Dutch Social Democrat Marteen van Traa, who is heading up the mission, appeared at a press conference yesterday afternoon with two other mission members, Nicole Bourdillat of France and Elena Flores of Spain. He indicated that the international mission was not satisfied with the ideas expressed by Minister Oscar Camilion, Horacio Liendo and Amadeo Frugoli, since "our points of view are different". But he went on to say that "the fact that we were received and that they took note of our concerns constitutes a symptom which contrasts with the attitude of the government last year when it prohibited the entry to Argentina of the mission which was going to come at that time headed by Spanish Socialist Workers leader Felipe Gonzalez".

Nicole Bourdillat agreed with Van Traa, saying that "the fact that we are here giving a press conference is an indicator" of a change in the attitude of the Argentine military government. But she added that more important than the attitude of the armed forces government in the country was the "decision of the political and social forces" here to "consolidate a process of democratization and confirmation of human rights.".

The three mission members said that the Socialist International gives and will continue to give "its full moral support to the democratic and popular sectors which, throughout Latin America, manage to affirm the full standing of democracy".

Asked what this support would mean in the case of countries like Argentina, Elena Flores answered that such backing would include "international solidarity" in seeking "the isolation of all dictatorial regimes which do not recognize freedom, democracy and human rights."

Van Traa went on to indicate this would mean, for example the bringing of international pressure to bear so that arms would not be sold to dictatorial regimes.

Bourdillat indicated that meetings held by the mission with social and political representatives of sectors of the Argentine population had confirmed "data which we already had on Argentina".

She went on to state the Socialist International's belief that "repression has been the indispensable instrument to enable (former Economy Minister Jose Martinez de Hoz to impose an economic policy at the service of foreign interests and which has pulled Argentina into economic chaos."

FOREIGN MINISTER COMMENTS ON DRUG TRAFFIC

PY062114 Rio de Janeiro JORNAL DO BRAZIL in Portuguese 5 Jul 81 p 16

[Text] Bolivian Foreign Minister Mario Rolon Anaya has faltly denied hints that the government of General Garcia Meza is linked with drug traffic, alleging that there is "disinformation, distortion and exaggeration" in reports on the drug question which were published abroad. He gave assurances that the government is effectively fighting cocaine traffic, but that it still needs international cooperation in that fight, a cooperation which was already requested from the United Nations.

In an interview granted to JORNAL DO BRAZIL, the Bolivian foreign minister explained his government's positions. Excerpts from that interview follow:

[Question] Minister, what do you think is the cause of the negative image of the Garcia Meza government abroad?

[Answer] The problem is that this if the first time that such a sensitive question for the community of nations has been dragged into the arena of political confrontation. Another factor is the distortion of acts. I honestly admit that deplorable events, which were constantly exaggerated, took place following 17 July 1980. The campaign against drug trafficking has had good results. The president, army commanders and members of the armed forces have repeatedly made statements on democratic institutionalization. So-called paramilitary organizations have been dismantled. There are light and shadow in the affairs of any nation. Looking only at the shadow is an unfair manner of viewing reality. There have been light and shadow in what has happened here. Any country can be depicted in an unfavourable aspect. So we reject slanderous exaggerations and generalizations, such as saying that Bolivia is a cocaine republic. Cocaine can be found everywhere.

[Question] But the fact of the matter is that today a link between the Bolivian Government is easily made. How can this be neutralized...

[Answer] How to neutralize that disparagement?

[Question]... How to neutralize that negative image?

[Answer] First, with the appeal we made to the United Nations and by speeding up the internationalization of the problem. Also by fighting the traffic of narcotics, a fight which is not a fantasy or a story, because members of the U.S. Drug Enforcement Administration [DEA] are participating in it directly. There is sufficient evidence that we are fighting cocaine traffic. Nowhere in the world has such an effective task been undertaken, with such spectacular and dramatic actions, and under control. The normalization of relations with the United States would allow a more effective fight. Bolivia wishes that all those aspects be tackled internationally, because they do not only affect a political system but a nation.

[Quesiton] There is a contradiction there: The United States is waiting for the Bolivian Government to fight drug trafficking before normalizing relations and you are waiting for the United States to normalize relations....

[Answer] There is no contradiction. This is a many-sided question. The relations among states--and I cite the old law not to mention the modern law--can never have problems in international relations because of problems in a specific area, namely, the police or court area. International relations cannot be reduced and treated in such small dimensions. Bolivia has done everything it can to demonstrate its intentions. If the normalization is still made to depend on some action, then that is so only because distortions exist and disinformation is still serious.

[Question] Do you then recognize that the suspicion of the government's link with drug trafficking was caused by two ministers involved in drug traffic?

[Answer] There was an investigation and we ask that evidence be presented. We are the ones who are more interested in the presentation of evidence. The constitution provides for the presumption of innocence until evidence is presented. Evidence must be presented. So we asked the DEA to come down here. But I do not see anything but the injustice and rashness implied in overblowing facts.

MILITARY OFFICERS CHARGE DRUG MAFIA-GOVERNMENT LINK

PY061705 Sao Paulo FOLHA DE SAO PAULO in Portuguese 4 Jul 81 p 6

[Text] Brasilia--A group of unidentified Bolivian military officers who were involved in the aborted coup which took place in Bolivia last Saturday have disclosed a plot by the drug Mafia to kill the officers, who have rejected corrupt offers. The accusation, published yesterday in the newspaper CORREIO BRAZILIENSE, goes further and also reports the "illegal purchase and sale of sugar, wheat, flour and airplanes, with profits which amount to scores of millions of dollars and which involve members of the Bolivian military junta."

The authors of the document explain that they do not identify themselves because they have no alternative since today, as never before, comrades who do not agree with the ideas of persons "not in power" are turned over to paramilitary groups and to the myrmidons of the Interior Ministry.

The regime of Gen Garcia Meza has experienced four coup attempts this year alone.

SANTA CRUZ GARRISON COMMANDER, OTHERS REPLACED

PY070109 Buenos Aires LATIN in Spanish 2325 GMT 6 Jul 81

[Excerpts] La Paz, 6 Jul (LATIN-REUTER)--The Bolivian Army commander has made new appointments in a garrison of the interior and in departments of the Army General Staff, according to reports released today in this capital.

A report from Santa Cruz, located 400 km southeast of La Paz, states that Col Walter Antezana Palacios, commander of the 8th Division--stationed in Santa Cruz--was relieved of his duties. No reasons were given for his change of assignment.

Antezana Palacios, who is now performing administrative functions at the Defense Ministry, was replaced by Col Erwin Peredo as the new commander of the powerful 8th Division. This is the fourth 8th Division commander replaced in the past 2 months.

Colonels Aroldo Pinto and Carlos Estrada were appointed to serve in the 4th and 7th Departments, respectively, replacing Gen Simon Sejas Tordoya and Colonel Prado Zurita, who were relieved of their duties.

Maj Abel Elias has been appointed chief of the Army Public Relations Department, replacing Col Orlando Guzman.

BRIEFS

7TH DIVISION COMMANDER--Col Guido Vildoso has been named interim commander of the 7th Army Division, based in the city of Cochabamba. Vildosa replaces Gen Carlos Turdela Villa, who has been named army chief of staff. [La Paz Radio Illimani Network in Spanish 1700 GMT 30 Jun 81 PY]

GOVERNMENT ISSUES ANTINUCLEAR WEAPONS APPEAL

PA021348 Mexico City International Service in Spanish 0300 GMT 2 Jul 81

[Text] Colombia has made an appeal to Brazil and Argentina to desist in their determination to manufacture atomic weapons and join international treaties calling for the use of atomic energy for peaceful purposes. The director of Colombian nuclear affairs, Ernesto Villareal, said these two countries were creating conditions for the manufacture of atomic bombs with a destructive capacity greater than the ones that exploded in Japan at the end of World War II.

He said that toward the end of the century, in 1994, Colombia will begin to build a nuclear plant using uranium to produce electric power.

LEMOS SAYS RELATIONS WITH VENEZUELA 'EXCELLENT'

PA062023 Paris AFP in Spanish 2002 GMT 5 Jul 81

[Text] Bogota, 5 Jul (AFP)--Colombia today ruled out any armed conflict with Venezuela as a moral and political impossibility and said that relations between the two countries are excellent.

Colombian Foreign Minister Carlos Lemos said the two nations have been intelligent enough to localize their disagreement on territorial waters to keep it from affecting their overall bilateral relations.

The minister said channels for dialogue with authorities in Caracas remain open and that the only sour note is the border conflict.

"I not only have no fears about the future of our fatherland but am hopeful that we will continue marching side by side to achieve Bolivar's dream," Lemos said.

Today is Venezuela's Independence Day.

GOVERNMENT DENIES VISAS TO CUBAN DELEGATION

PA030047 Paris AFP in Spanish 2141 GMT 1 Jul 81

[Excerpts] Bogota, 1 Jul (AFP)--The Colombian Government turned down visas for members of a Cuban delegation who planned to attend a folklore and cultural festival in Bogota, it has been learned here.

The denial was contained in a note which the Foreign Ministry sent to Manuel Cepeda, director of the communist newspaper VOZ PROLETARIA and organizer of the event.

According to Cepeda, visas were denied to Elio Constantin Alfonso, director of the newspaper GRANMA of Havana and to the members of the Batey musical group.

## COUNTRY'S DEVELOPMENT PLAN TO BE MODIFIED

PA011943 Paris AFP in Spanish 1646 GMT 29 Jun 81

[Text] Quito, 29 Jun (AFP)--Leon Roldos Aguilera, vice president of the republic and chief of the planning institution, has announced here that the country's development plans will be modified in view of the drop in the income from oil exports.

In a televised program, Leon Roldos thoroughly analyzed the present economic situation which has been seriously affected by a reduction in the budget for the 5-year plan of the present administration and the annual budget approved by the late President Jaime Roldos. These plans will be changed.

The country's budget has been seriously affected because of the drop in oil prices. The current official price this month is $32 per barrel and the budget was based on a price of $36 per barrel.

A 5-percent reduction in production agreed upon by OPEC and the expenses derived from the conflict with Peru early this year must be added to this.

Petroleum exports finance more than 60 percent of the state budget.

The high-ranking official said the administration will emphasize basic development projects and that it will continue with those that are profitable and bring in income in order to pay back the corresponding loans.

Roldos, who also heads the National Development Council (CONDADE), said that the adjustments will be ready in a few months after an evaluation of the plans and their progress is made.

He said that he believes the tax system must be reformed and that fiscal austerity should remain in force as measures to correct the government deficit.

He said that fiscal austerity, as a measure to counteract the budget deficit, has been considerably reduced. For this reason expenditures directly connected with development must be limited.

Regarding reforms to the budget system, he said that the main issue is to determine who will pay the taxes. More equitable terms than the present ones, therefore, must be sought.

He added that the attitude of those definitely against the creation of new taxes is unrealistic.

The finance minister said a few days ago that the government deficit amounts to 20 billion sucres ($800 million), almost 40 percent of the budget.

Roldos, brother of the late president, who replaced President Oswaldo Hurtado at CONADE, faced three well-known local economic reporters on the television program.

## BRIEFS

INTERNATIONAL MONETARY RESERVES--Ecuadorean international monetary reserves as of 30 June were 15 percent higher than in May, the Ecuadorean Central Bank announced. This increase is a sign of recovery due to the relative stabilization of petroleum exports and an improvement in the foreign capital income of the country. [Quito Cadena Ecuadro Radio in Spanish 2300 GMT 2 Jul 81 PA]

PRESIDENT HERRERA GIVES INDEPENDENCE DAY SPEECH

PA060049 Caracas Domestic Service in Spanish 1317 GMT 5 Jul 81

[Venezuelan President Luis Herrera Campins Independence Day speech in the Congressional Elleptic Room in Caracas--live]

[Excerpts] President and vice president of the Congress of the Republic, president and magistrates of the Supreme Court of Justice, president of the Supreme Electoral Council, president and other members of the Civic Council, former President of the Republic Romulo Betancourt, former President of the Republic Rafael Caldera, former president of the government junta Adm Wolfgang Larrazabal, ministers of the executive cabinet, excellencies, ambassadors and charge d'affaires of friendly countries, attorney general of the republic, comptroller general of the republic, presidents of Miranda State Federal and Sucre Districts Municipal Councils, officers of the high-ranking military command, reverend archbishop of Caracas, reverend auxiliary bishops of Caracas, rectors of the national universities, presidents and directores of the national academies, presidents of autonomous institutions and state concerns, senators, deputies, ladies and gentlemen:

Humanity today lives in a difficult economic situation reflected in critical circumstances in both the East and West. We are aware of the need to make a productive, intensive and constant effort to save the world from the terrible consequences of shortages which could lead to a scarcity of staple products, especially food. This would impair even more the critical situation of hundreds of millions of persons in the world today who live in chronic hunger. Their mental capabilities are impaired and their possibility of participating in a truly active, responsible and productive life is being further decreased.

A merciless inflation beats down on economies from all sides, on both raw materials and manufactured goods.

I have never denied the national difficulties inherited by my administration. We must employ our strongest will in a creative and productive offensive with good sense and optimism to eliminate negative aspects and face the future decisively with confidence and imagination.

Our main effort will be guided by means of the three-phase sixth national plan which we shall soon present in its final draft to the people. We hope that these programs dealing with important aspects of our national life will be approved. These should encounter the greatest possible understanding because they are meant to solve extremely important social problems. Among these is one related to housing, which is the permanent dream of thousands of our countrymen who still do not own their homes.

In the near future we shall implement a policy to subsidize the cost of loans for any housing of social interest, so that we can solve one of our most pressing problems. We still have not received the legislative authorization to increase taxes on liquor and cigarettes to finance the subsidy, but we have made cuts in our budget in order to implement the subsidy in the near future. We shall also implement internal austerity measures in the near future. These presidential measures are to halt bureaucratic growth and the increased cost of operating the various organizations, agencies, autonomous institutions and state concerns.

The Venezuelan Industrial Bank has just approved a program for industrial concerns so they can buy their own buildings. This program will finance 75 percent of the bank valuation of the building and will accept the building itself as collateral. The bank also approved financial assistance methods for building housing, mainly of social importance, as considered in Decree 214; and in other types of buildings, such as shopping centers, offices, supermarkets and hotels. We are also considering the elimination of obsolete regulations which have served only to hamper the building industry.

We shall also implement a number of measures of considerable social significance, such as the educational plan for government schools and other measures to benefit the middle class and the workers.

On 23 July we shall inaugurate a direct information system in order to give the people of Caracas free, prompt and updated information, especially on social security and on the various services rendered by the state.

We shall do all this in spite of the emergency situation we face in several regions because of floods and the inexplicable delays of the organization process.

In the international sphere we await the parliamentary approval for an additional credit requested from the congress of the republic for infrastructure and civil and military installations required by our southwestern borders.

We look with optimism on the reactivation of the Andean subregional pact. We held a magnificient high-level economic cooperation meeting in Carabelleda from which we obtained positive results for coordination and understanding between developing countries in preparation for the North-South dialogue.

I am ready to leave for Cancun, Mexico, having been invited to participate in the meeting of industrialized and developing countries in preparation for the awaited great dialogue which is now suffering a regrettable freeze.

In every field of action we see positive efforts undertaken with constructive optimism, which is natural in a climate of hope, just like pesimism grows out of a climate of frustration. Young people have the right to hope and to strive for a better way of life to fully insure freedom, justice, human rights, tolerance, participation and peace and in which important and spiritual concepts prevail over nearsighted and pragmatic materialism.

The democratic way of government offers the opportunity for improvement in its standards of austerity, flexibility, honesty, integrity and the struggle against the multiple expressions of administrative corruption, such as the one firmly waged by my administration.

Unfortunately there are those who would look in a negative manner on the spiritual side of man today. There is the preaching of chaos in the information media placing us on the brink of a destruction, ruin, total failure and irreparable collapse--leaving practically no room for dreams and hope.

With feelings and thoughts immersed in this negative panorama, we would have never achieved that patriotic victory in the war of independence. Everything that does not contribute to enthusiasm or uplift the spirit, serves backwardness, paralysis and delay.

We are suffering a veritable plague of prophets of doom. These prophets repeat again and again endless lamentations, and daily warn us that evil will soon be unleashed on all the inhabitants of this world. These reborn Jonases, as if emerging from the monstrous belly of the whale of anguish, attempt to terrorize us with the immediate destruction of alleged and [words indistinct].

Fortunately their prophesies of catastrophes do not come true. Nevertheless they hamper action, sow fear and delay action among those susceptible to believing in evil omens and predictions of disasters.

At 160 years away from a glittering hour in our history, we must reaffirm our will, courage, and determination against negative and regressive factors in order to conquer our future decisively and courageously. The Venezuelan fatherland so demands it, gentlemen.

## CHANGES REPORTED IN RELATIONS WITH FRANCE

### Oil Purchases To Be Cut

PM061038 Paris LE MONDE in French 21-22 June 81 p 26

[France Pisani report: "The French Oil Company Plans To Halve Its Purchases of Mexican Oil"]

[Excerpts] Mexico--On the occasion of a visit to its Mexican counterpart, Pemex, on Thursday 11 June, the French Oil Company (CFP) has recently stated that it intended to cut by 50 percent the French purchases of Mexican oil and may even discontinue them altogether (LE MONDE note: An agreement signed by Pemex and Total 23 February 1979 allows for a complete stoppage of shipments for 6 months. For instance, Ashland Oil stopped buying crude from Mexico several weeks ago.) Even though there has been no special official reaction from Mexico, Mr Jose Andres de Oteyza, secretary of patrimony and industrial development, clearly indicated in a speech on energy policy delivered on Tuesday 16 June that such a decision would be likely to substantially alter relations between France (or any other country making this kind of decision) and Mexico.

By planning to reduce its purchases of Mexican oil, the CFP is probably acting in accordance with its interests as a "company" and with a short-term assessment of oil supply problems. Mr Oteyza expressed the view that the present situation was "transitory" and that the balance between supply and demand would soon be restored. Furthermore, the political and military situation in the Near East, from which France obtains 70 percent of its requirements, remains tense.

In addition, you might wonder whether the French company's decision has not been contrary to France's overall interests. In fact it could well hamper the signing of some other agreements of extreme importance for industry, mainly relating to the construction of a steel plant, to a subway system in Monterrey, Mexico's second city, and to the sale of French nuclear technology, which still seems to interest the Mexican Government. Furthermore, it would preclude any increase in the amount of oil purchased by France from Mexico in the future.

At a difficult time for oil producers, the Mexican Government has shown extreme firmness by accepting on 6 June the resignation of Pemex Director Mr Diaz Serrano, who had decided to reduce prices instead of reducing production. Mr Serrano was one of the most popular candidates for the succession to President Lopez Portillo.

In his 16 June speech Mr Oteyza made his country's attitude abundantly clear: "Faced with this temporary phenomenon (price reduction)," he stated, "buyers will have to take into account the possibility that any barrel lost to them today may be lost forever. We will support the thesis of programming against that of improvisation, that of long-term policy against that of short-term policy, that of economic cooperation against that of mercantile speculation and that of guaranteed supplies against that of commercial windfalls."

### Contracts With France Canceled

PA050411 Buenos Aires LATIN in Spanish 0234 GMT 5 Jul 81

[Text] Mexico City, 4 Jul (LATIN-REUTER)--The Mexican Government cancelled a petroleum sales contract with France in view of "the attitude recently assumed by the French Petroleum Company," the Patrimony and Industrial Development Secretariat announced today in a communique.

The document also says that as well as the cancellation of the petroleum contract, all national development projects will be withdrawn from French concerns. Some of these projects are the metro, the participation in the automobile industry, and the reactors being considered for the Mexican nuclear program. French companies had been asked to submit a bid.

Although the document does not say it, it is believed that the cancellations are due to numerous reports arriving from Paris to effect that the French state company wanted to suspend its purchase of Mexican petroleum because it had found a better supplier.

For the past several years Mexico has been selling France 100,000 barrels a day.

It was impossible to obtain comments from French diplomats because today is not a working day.

Officials on French Relations

FL061923 Mexico City NOTIMEX in Spanish 2045 GMT 5 Jul 81

[Text] Mexico City, 5 Jul (NOTIMEX)--Chamber of Deputies President Luis M. Farias asserted today that there is no U.S. politics or influence whatever behind Mexico's decision to limit its economic relations with France. That is ridiculous, he said. The politician added: "We have enough technology to carry on and there is technology in many other countries. France is not the sole possessor of technology, so our country can acquire it from other nations."

He categorically stated that Mexico's economy is not at all affected by what has occurred with France, despite speculations that have been made to that effect. When Luis M. Farias was asked whether the technological and economic independence enjoyed by the country allows it to face this kind of problems, he said that no project has come to a standstill; they all continue their process of construction.

In turn, Joaquin Gamboa Pascoe, chairman of the Grand Senate Commission, said that the decision is an economic measure based on a political judgment, so that it be understood that the goal pursued is an appropriate administration of the resources of the country, for which an adequate position should be taken. He said that Mexico has always been able to make its own decisions and, naturally, this is not just a whim; it is in accordance with a policy to restore economic management in the field of energy. He stressed that the decision had not been influenced by others. "It is a sovereign decision by Mexico and nothing else."

Regarding the question whether this decision will lead to a cooling of relations with France, he said that France is free to decide on its trade relations as it pleases and that Mexico can do the same. Gamboa Pascoe stated: "I believe it is not a question of cool relations or tensions, it is simply a decision in the field of trade which, although not normal, is nevertheless natural in the handling of the problems on the part of those who manage them and who believe it is necessary to make that decision."

Regarding opinions that the decision has been taken because of forces in the socialist system in France, Gamboa Pascoe said that the interests of France are in accordance with its sovereignty and that we respect the systems of other countries.

Secretary of Commerce Jorge de la Vega Dominguez said in his turn that he would make no statements on the matter before talking with Jose Andres Oteyza, secretary of patrimony and industrial development.

## EL SALVADOR

### MILITARY DENIES U.S. PILOTS FLY IN COMBAT

PA070407 Paris AFP in Spanish 0317 GMT 7 Jul 81

[Text] San Salvador, 6 Jul (AFP)--The Salvadoran Armed Forces tonight denied a report that U.S. pilots are flying Huey helicopters in combat zones and taking active part in air raids against the population and villages.

A report from SALPRESS, a Salvadoran opposition news agency, today reported that the Farabundo Marti National Liberation Front [FMLN] had captured several national guardsmen and that one of them, Jose Lazaro Guevara, reported the participation of U.S. military personnel in combat.

An armed forces spokesman tonight confirmed that Lazaro Guevara was a member of a patrol which was ambushed several days ago by the guerrillas on the highway between Chalatenango and Las Vueltas. According to army reports, 5 guardsmen and 10 civilians were killed in this operation.

The FMLN claims it captured other guardsmen in that operation, but the military spokesman said he had no confirmation about this, indicating that it could be a [word indistinct] of the subversion for a publicity stunt at an international level.

In the case of the U.S. pilots, the military spokesman said that they have not at any time participated in combat, because this has been properly stipulated in the agreement with the United States and the U.S. Air Force advisers are here strictly for advice and training.

He added that the Salvadoran Air Force now has personnel properly trained to fly the Huey helicopters and carry out evacuation and rescue missions or any other type of mission.

The U.S. pilots have precise instructions stipulated in the aid agreements, the military spokesman said, and they have a specific area in which to give their instructions, far from the combat zones.

### FMLN DENIES INVOLVEMENT IN LA UNION INCIDENTS

PA030303 (Clandestine) Radio Venceremos in Spanish to El Salvador 0130 GMT 3 Jul 81

["Urgent communique" Released by the Farabundo Marti National Liberation Front, FMLN; no date given]

[Text] The FMLN, in view of the incidents at La Union City port during 27, 28 and 29 June, declares:

1. Our forces did not, in any way, participate in these events. The whole thing was a part of a maneuver by the U.S. interventionist government to justify speeding up its plans for intervention in our country.

2. Up to now, we had issued no official communique on these incidents, abstaining from taking a position, because we were carrying out an investigation to confirm that the incidents were the result of contradictions within the army itself, in view of past confrontations inside military garrisons.

3. One of the maneuvers of the junta and the army is to create a climate of alarm concerning claims that the incidents were the result of a landing of Cubans and Nicaraguans, and Colonel Garcia has already announced the presentation of supposed foreigners captured during the incidents. As part of this plan, new announcements of invasions may be expected in order to bolster the case for greater U.S. intervention against our people.

4. It is a fact that the whole thing is a maneuver, and it is strange that no casualties have been reported by the army or in all the coverage of the incidents by U.S. news agencies, including the Voice of America itself.

5. The incidents of La Union are taking place at a very critical time for the government in view of imminent developments that could defeat the entire U.S. political plan for this period.

6. The weakness and military deterioration of the army in its confrontations with the FMLN forces have become more evident to the U.S. interventionist government, as there is very little it can do militarily to control the situation. All offensives launched at Guazapa, Chalatenango, San Vicente Volcano, northern San Vicente, San Agustin, Usulutan, Conchagua, La Union and Morazan, have been totally unsuccessful. The revolutionary forces have not only held their positions, they are constantly improving their fighting capacity. From January up to the present, the army has suffered 300 dead, according to national press reports, and over 700 wounded; that is, over 1,000 casualties in less than 6 months. Several hundred million dollars have been spent and the army troops grow more weary and demoralized. It is clear, then, that the FMLN has victory in sight.

This causes great concern to the U.S. interventionist government, which has realized that the Salvadoran Army is no longer capable of defeating the revolutionary forces, and foresees a successive advance of the FMLN which, according to Washington, can only be contained by increasing U.S. military intervention. The army has requested 80 additional helicopters and 200 military advisers, showing its weakness and inability.

7. Taking into consideration the political and military crisis of the junta, in conjunction with the aggressive policy of the U.S. Government, we raise a voice of warning regarding the incidents at La Union, which we describe as a false, planned action, to justify a speedier U.S. intervention in our country.

8. This incident reminds us that all U.S. interventions have been preceded by similar actions. This has happened in Korea, Vietnam, the Dominican Republic and other places. The imperialists have always created false incidents which they have later used to increase or expand the intervention of its forces. We alert the democratic governments and forces of the world, the U.S. congressmen opposed to the intervention, the U.S. progressive people and forces, the committees of solidarity with our cause throughout the world, to mobilize massively and to help defeat this new aggression being plotted against our heroic people.

Finally, we reiterate that our people are peace-loving people; that they are today carrying arms precisely to win and to preserve peace. We have given the world proof of our love for peace and of our responsibility by remaining open to a nonmilitary solution. That is why we have accepted the mediation of other forces and governments. The response to this position has been more arms for the junta, more repression and more oppression. In view of this, we reiterate our determination to remain on the offensive. If the imperialists insist, they shall again have to face the fact that there is no force on earth capable of subjecting a people determined to win its freedom.

United to fight until final victory! Revolution or death, we shall win!

[Signed] The FMLN general command

## Army Refutes FMLN Radio

PA050313 San Salvador EL MUNDO in Spanish 3 Jul 81 p 2

[Text] The Armed Forces Press Committee has issued a communique refuting false reports broadcast by clandestine Radio Venceremos, organ of the Farabundo Marti National Liberation Front [FMLN] regarding the subversive harassment of military posts in La Union Department on Saturday. The Armed Forces Press Committee communique noted the failure of the attack's "evil intentions." The communique reads as follows: "The Armed Forces Press Committee informs the people:

"Clandestine Radio Venceremos of the FMLN is broadcasting distorted news suggesting that the FMLN forces did not launch the attack on 27 June against military installations and other government institutions in La Union.

"In view of the complete failure of their plans, they can only lie, lie and lie again because someone may believe them.

"The armed forces, faithful to its doctrines and tactics, and faithful to the laws repelled the attack.

"Once again the FMLN has failed to overcome the heroism, courage and fighting ability of the armed forces.

"Now we can honestly tell our people that the situation is under control.

"1. They tried to harass an important town like La Union.

"2. They tried to create a diversion in order to carry out, we suppose, a landing of weapons or forces some place along the Pacific Coast.

"3. They also wanted to impress world opinion and the European Parliament members visiting us at the time.

"The armed forces did not fall for the ploy and, doing their duty, they defended national integrity and sovereignty. Once more we have served our people.

"Lies are a communist weapon and our people must not believe them."

"San Salvador 1 July 1981"

REPORTAGE ON ARMY, GUERRILLA COMBAT ACTIONS

Troops Isolated in Torola

PA070330 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 7 Jul 81

[Text] A Farabundo Marti National Liberation Front, FMLN, patrol opened fire on a Salvadoran Air Force helicopter which was delivering provisions for the enemy isolated in the village of Torola. The helicopter was hit and made a forced landing. Our companeros continued attacking the enemy, who desperately tried to repel the attack. Companero Hernan was in charge of the operation. Our forces withdrew without any casualties after the harassment operation had ended.

Garrisons in Chalatenango Hit

PA061847 Panama City ACAN in Spanish 1902 GMT 5 Jul 81

[Text] San Salvador, 5 Jul (ACAN-EFE)--Military posts in the northern department of Chalatenango were attacked today by leftist groups and nine people were killed by the rightwing death squadron in that department. According to official reports, the guerrillas simultaneously attacked the various garrisons in Chalatenango in the past few hours. It is not known if there were any casualties on either side.

Meanwhile, military sources reported today that guerrillas and civil defense personnel clashed today in Las Marias canton, jurisdiction of Sensuntepeque, 80 km north of San Salvador, with several wounded on both sides. The clash took place when a group of guerrillas ran into some members of the civil defense forces while chasing a civil patrolman who had escaped after they had seized him.

Clashes that left several dead also took place today in Villa Dolores, north of San Salvador.

FMLN on Chalatenango, Cabanas

PA050323 Havana International Service in Spanish 1800 GMT 4 Jul 81

[Text] Farabundo Marti National Liberation Front [FMLN] guerrillas inflicted 58 casualties on the Salvadoran Army during a clash in an area between the towns of Las Vueltas and La Ceiba in Chalatenango Department.

The guerrillas also attacked a military patrol sent as reinforcements to the region which has been under guerrilla control for the past several days. In this attack, one soldier died and another 23 were wounded.

It has been reported that many armed helicopters that tried to fly over the Las Vueltas area had to leave immediately because of intense ground fire from the rebels.

In Jutiapa, Cabanas Department, the troops of the Salvadoran regime had four casualties during another clash with guerrilla forces.

Ambush in Chalatenango

PA041400 Panama City ACAN in Spanish 1756 GMT 3 Jul 81

[Text] San Salvador, 3 Jul (ACAN-EFE)--Five national guardsmen and ten civilians were killed in the past few hours when leftists ambushed an army vehicle in the Salvadoran town of Las Vueltas in Chalatenango Department. According to military sources in Chalatenango, 72 km north of San Salvador, the vehicle was returning from that region, where residents leaving the zone because of constant guerrilla actions had requested national guard protection.

A captain of the Chalatenango 4th Brigade, located in the town of Paraiso, was killed, as were several civilians, while some men were seriously wounded.

Assassinations, Raids, Attacks

PA042257 San Salvador EL DIARIO DE HOY in Spanish 4 Jul 81 p 4

[Excerpts] The day before yesterday terrorists attacked a military post in Arcatao, fighting ensued and the terrorists were repelled, according to military sources.

The sources said that during the intense fire that went on for several minutes, three subversives were killed and several others were wounded. The casualties were taken away by the remaining attackers when they fled. The extremists left behind two FAL rifles, three clips, a Czechoslovak rifle and almost 100 cartridges of various calibers.

According to the sources, the guards suffered no casualties.

In the San Diego village, Las Piedras canton, Metapan City, a group of terrorists assassinated Cruz Mayorga, the canton's commander. The commander was shot to death in front of his relatives. One of Mayorga's sons was wounded in the hand.

In La Isla village, Gualama canton, Chapelpique, a bomb toppled a power line tower. It has been reported that subversives were seen in the area shortly before the explosion. The tower was on km 140 of the Pan American Highway.

The armed forces, meanwhile, have continued their raids in various parts of the capital, especially in homes suspected of housing terrorists. Military authorities have called for understanding from the citizens because this is being done to safeguard honest people, they say. Yesterday, there were raids in Costa Rica neighborhood in southern San Salvador.

## Clashes, Mission to France

PA032317 Havana International Service in Spanish 1800 GMT 3 Jul 81

[Text] Salvadoran guerrilla forces used mortars and grenades to attack the army garrison in Arcatao, Chalatenango Department, a salvadoran military source reported.

It has also been reported that in La Cayetana, San Vicente Department, sympathizers of the rebels set off several bombs before the insurgents clashed with the regime's troops, who sustained many wounded.

Meanwhile, three patrolmen were killed in western San Salvador during an incursion by guerrilla commandos.

It has also been reported that a high-level delegation of the Revolutionary Democratic Front and the Farabundo Marti National Liberation Front is making a working visit to France. The mission is made up of Rafael Menjivar and Salvador Samanca, members of the political and diplomatic committee of those organizations.

The Salvadoran newspaper EL DIARIO DE HOY has reported that a measles epidemic is decimating the children of San Francisco Gotera, capital of Morazan Department. Various institutions have warned that there is much malnutrition and a high incidence of epidemics in that Salvadoran region due to the constant movement of the population fleeing from the effects of the war which is devastating El Salvador.

## Attacks in Ayutuxtepeque

PA041200 San Salvador LA PRENSA GRAFICA in Spanish 3 Jul 81 pp 2, 31

[Text] Yesterday morning at 0600 between 20 and 30 terrorists attacked the local army garrison at Ayutuxtepeque and the mayor's office. The attackers used bombs, grenades and weapons of various sizes, according to reports from the authorities there.

There were no victims of the attack, but about 20,000-colones worth of damage was done to the mayor's office by a bomb that destroyed the roof of the building, the furniture, office equipment and other items.

The local garrison reported that the attack was carried out mainly with Galil and G-3 rifles and grenades. Over 20 persons were involved in the attack, the authorities added, some of whom posted themselves near the local church.

There was no information concerning possible casualties among the subversives after the attack was repelled.

## FMLN Attacks Usulutan

PA030441 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 3 Jul 81

[Text] A war bulletin from the Francisco Sanchez Southeastern Front reports that forces of the Farabundo Marti National Liberation Front, FMLN, attacked enemy posts at El Paraiso canton, Berlin jurisdiction, in Usulutan Department. The attack started at 0400 and lasted for 30 minutes. Our forces advanced toward the positions of the enemy without being detected and suddenly opened fire against the garrison with bazooka and rifle fire, catching the enemy by surprise.

There is no information as to the exact number of casualties among the enemy forces, and our forces withdrew in an orderly manner having suffered no losses.

## Army in Chichontepec

PA021847 Havana International Service in Spanish 1600 GMT 2 Jul 81

[Text] According to the Farabundo Marti National Liberation Front [FMLN] of El Salvador, 500 Salvadoran Army troops have launched an operation against Chichontepec Volcano and nearby towns in a bid to smash the guerrilla forces.

The FMLN said that the military objectives reportedly are El Perical, 4 de Mayo and Iberia cantons, where columns of the guerrilla front are presumably massing. It added that the regime's infantry forces are supported by U.S.-made jets and helicopters.

Meanwhile, the clandestine Salvadoran Radio Venceremos has reported that a large group of guerrillas are training at the Rafael Arce Sabla Military School in Morazan Department, which is one of the areas under FMLN control.

## PDC Headquarters Machinegunned

PA030314 Panama City ACAN in Spanish 2313 GMT 1 Jul 81

[Text] San Salvador, 1 Jul (ACAN-EFE)--This afternoon a group of unidentified persons attacked with machinegun fire the headquarters of the Christian Democratic Party (PDC) located in downtown San Salvador, without causing any casualties.

Reports by employees of that party to which two members of the ruling junta and most of the cabinet members belong stated that the attack was carried out by unidentified persons in a speeding vehicle.

This brings to five the number of attacks staged against the PDC headquarters so far this year, according to the sources.

No extremist organization in El Salvador has yet claimed credit for the attack.

## Nicaraguans in La Union Clash

PA011857 Paris AFP in Spanish 1824 GMT 1 Jul 81

[Excerpt] San Salvador, 1 Jul (AFP)--Several Salvadoran guerrillas were captured at La Union following the serious clashes that took place this past weekend in that department in southeastern El Salvador, a military source has reported.

The spokesman said that among the captured guerrillas--whose number he did not disclose--there are many Nicaraguans, who "evidently came to the country to reinforce the ranks of the Salvadoran guerrillas."

Despite the recent clashes, the situation is today calm throughout the department, the military spokesman said. Army troops are thoroughly searching every vehicle or person entering or leaving the city of La Union.

## June 29 Clashes

PA030107 San Salvador EL MUNDO in Spanish 1 Jul 81 p 1

[Excerpts] The armed forces today continued their combing operations in the rural areas of La Union and searches in the city. Since the day before yesterday, the soldiers have had full control of the port of La Union after well-armed extremists had occupied a small part of the urban area over the weekend.

Elsewhere, it has been reported that yesterday Arcatao, in Chalatenango Department, was once again attacked by subversive groups which opened fire with rifles, mortars and grenades. The attack was repelled and according to residents, the extremists sustained dead and wounded.

Heavily armed extremists killed Jose Angel Argueta, Jose Mario Morales and Berta Lidia Martinez Argueta last night in San Marcos Lempa, jurisdiction of Jiquilisco. The bodies were examined by the justice of the peace of Jiquilisco and then turned over to relatives. Yesterday morning, in La Cayetana Canton of Toluca in San Vicente Department, subversives set off dynamite charges that destroyed electric power towers of the Lempa River Hydroelectric Executive Commission. Troops of San Vicente were mobilized and there was a clash. Casualty figures have so far not been confirmed.

It has also been reported that yesterday afternoon when soldiers were patrolling the cantons of El Paraiso, La Esperanza, Santa Elena de San Sebastian and the hill of San Pedro in San Esteban Catarina, San Vicente Department, they were attacked by extremists entrenched on the hill. Adelio Marinero, a member of the patrol, was wounded in the clash. It was reported that the subversives sustained casualties.

FMLN War Bulletin

PA031720 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 3 Jul 81

[War Bulletin released by the Modesto Ramirez Central Front in the Suchitoto-Guazapa zone]

[Text] On Tuesday, 23 June, the electrical lines that supply Suchitoto were sabotaged and five transformers were destroyed. Also [words indistinct] in the streets of (Pataturro) Canton.

On Saturday, 27 June, the enemy tried to enter (Ixtamalpa) Canton and engaged in heavy fighting with our forces. The fighting lasted 4 hours, from 1400 to 1700 [as heard]. The genocidal elements advanced and with the support of 81-mm mortars and a [word indistinct] machinegun they managed to oust us from our first line of defense. However, at the second line they were not only stopped but repelled. Two of their units were killed and several others were injured. Our forces do not report any casualties. The civilian population also came out of the clash unharmed. Companero Jaime was in charge of the area's defense.

Monday, 29 June, at 1600--An enemy convoy was ambushed while passing through on its way to Suchitoto. The convoy included an armored vehicle and a truck carrying about 30 soldiers. We began the attack by using an RPG-2 rocket launcher. The grenade penetrated the armored vehicle, hurling three dead genocidal elements (?onto the road). [Words indistinct] the elements riding in the next truck. The armored vehicle was left completely useless in the middle of the road. Five minutes later, reinforcements arrived from the city of Suchitoto. [Words indistinct] the ambush, inflicting several casualties on them. Our companeros withdrew in an orderly fashion.

As a result of this action, the enemy army sustained a loss of 8 dead and 15 injured. Also, one of their armored vehicles was destroyed. Our 14 men were well led by Companero Daniel Suarez.

This war bulletin was released on Guazapa Hill at 1100 on 30 June 1981.

[Signed] Press and Propaganda Commission of the Farabundo Marti National Liberation Front, Guazapa Hill.

United to fight until the final victory. Revolution or death (?we will win).

## FMLN Enemy Casualty Report

PA020236 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 2 Jul 81

[Excerpt] Over 1,000 casualties have been inflicted on the Salvadoran Army as result of the advance of the popular forces. A few weeks ago, Napoleon Duarte himself admitted that the Farabundo Marti National Liberation Front, FMLN, forces had inflicted at that time 900 casualties on the Salvadoran Army, defender of the interests of the oligarchy and imperialism.

Presently, that figure exceeds 1,000 dead and wounded in the forces of dictatorship as a result of their confrontations with the people, as admitted by the junta itself.

## Havana Radio on Army Losses

PA021620 Havana International Service in Spanish 1410 GMT 2 Jul 81

[Text] The Farabundo Marti National Liberation Front [FMLN] of El Salvador has reported that in June the FMLN guerrilla forces inflicted approximately 900 casualties on the Salvadoran Army and destroyed many military installations of the dictatorship.

The FMLN noted that in 9 days of fighting in the area of the Chichontepec Volcano alone, the army suffered 272 casualties. According to the FMLN, the army suffered more than 400 casualties as a result of clashes in various ponts of Chalatenango Department.

The FMLN also noted that the Salvador regime does not admit having lost so many soldiers in order to prevent a further deterioration of the army's low morale.

It has also been reported that troops of the dictatorship continue arriving in areas near La Union port where the guerrillas since Saturday have been continuously harassing the army troops stationed in nat region.

There have been clashes between the guerrillas and military troops of the regime in the departments of San Miguel, Cabanas and San Vicente.

It has been reported that the bodies of 15 young persons have been found in the outskirts of San Salvador. The bodies showed evidence of torture and many bullet holes.

## Clandestine Cemetery Found

PA020410 Havana International Service in Spanish 0000 GMT 2 Jul 81

[Text] The Salvadoran Human Rights Commission revealed that a clandestine cemetery, similar to the ones used by paramilitary gangs to dump the bodies of their victims, was discovered in Apopa.

The source says that at least 25 almost unrecognizable bodies have been exhumed.

## NICARAGUA

### NATIONAL FORUM CONTINUES ON SUNDAY, 28 JUNE

PA301459 Managua Radio Sandino in Spanish 1450 GMT 28 Jun 81

[Discussion at the forum on national problems by government delegates: Commander of the Revolution Carlos Nunez, coordinator of the government delegation; Nathan Sevilla of the Sandinist National Liberation Front; Gustavo Tablada and Adolfo Evertz of the Socialist Party; government alternate delegates: Alejandro Gutierrez of the People's Action Movement; Eli Altamirano and Edgard Macias of the Communist Party; and Ulises Somarriba, Carlos Garcia Caracas, Eduardo Coronado and Flavio Obregon; opposition delegates: Donald Castillo of the Nicaraguan Workers Federation; Coordinator Alvaro Jerez of the Nicaraguan Democratic Movement; Adan Fletes, chairman of the Social Christian Party; Roberto Urros of the Nicaraguan Democratic Movement; Ramiro Sacasa Guerrero of the Constitutionalist Liberal Movement; and Rodrigo Solorzano of the Social Democratic Party; with moderator: Julian Corrales--live]

[Excerpts] [Nunez] While it is true that we have achieved concurrence on a total of 19 points, it is necessary to point out a number of factors that should serve as parameters for the course of future discussions. These are:

1. The goal of national unity is established to guarantee peace in our fatherland, in the awareness that through it we would contribute to peace in Central America, since our feat, our victory and the establishment of an original ongoing system serves as an example for other peoples who are floundering in penury and difficulties.

2. Both delegations will undoubtedly make an effort to reach points of at least minimal concurrence in specific areas and each delegation will consider itself dutybound to propose actions to implement those agreements.

3. In the framework of national reconstruction, the Sandinist National Liberation Front, FSLN, is responsible for leading the process as its guarantor, jointly with all organizations involved in the revolutionary process.

4. Internal tasks include facing up to limitations and difficulties. Each of the organizations represented in the delegations has the duty to guarantee fulfillment of these tasks, contribute to their completion, increase production and productivity and persuade unconvinced individuals that this is an attempt to move along a path in which all political, economic and social sectors are working for national reconstruction, thereby achieving the much-desired stability and effective changes within the revolution.

This is achieved through the influence that each delegation can exert over specific sectors.

5. National unity is the firmest guarantee of the fulfillment of the aforementioned tasks. At the same time, it is also an effective instrument for containing or neutralizing attacks from external and internal enemies if it were necessary to march the battlefield in absolute unity, in the presence of foreign troops, realizing that those who stand aside or refuse to defend the fatherland in such circumstances actually are denying their status as Nicaraguans.

6. In the area of containing aggression, national unity is a formidable wall for checking certain acts of aggression. Its strength should be directed toward dissuading, by every possible means, all warmongering sectors in the international arena, particularly the United States.

In speaking of means, we recommend maximum use of the mechanisms, links and relations of each side to firmly express anti-interventionist positions.

7. National unity should serve effectively to coordinate efforts by the two delegations to encourage the working people in productive tasks, in defense and in the solution of problems, in order to maintain intact the presence of the revolution, its nature, its achievements, its conquests and its goals.

8. Finally, the working people and their organizations serve as the most important actors in carrying out this great task. In other words, the working people are the motor of this country's history. They have won this role by their behavior in the struggle, their attitude in history, and their sacrifice in reconstruction. This alone makes them the major force of the revolutionary process and by their very nature they are the main beneficiaries of it in the present and in the future.

These are the points that we would like to present to the companeros of the delegations.

[Sevilla] Now that we have picked up Sandino's inheritance and are speaking of national unity, we must take into account that there are still turncoasts whom we must oppose. Regarding this, we feel that our contribution to this forum must take the present situation into account. This situation must not be viewed in an abstract and vague sense. Hatred and national unity are being spoken of in very romantic terms. It seems that there is a desire to present the situation as one in which all Nicaraguans, without distinction, are gathered in a fraternal unity in which there are no discrepancies. But on the contrary, the democratic and revolutionary national unity must consider firm opposition to turncoats. While many of these individuals were forced to leave the country during the popular struggle, were imprisoned or died, some are still abandoning the country, are depleting capital and are involved in political actions. Therefore, in this forum we must adopt a firm attitude to defend democracy, the popular nature of the revolution and the best Sandinist traditions.

[Urros] I am going to refer to Carlos Nunez' statement about national unity. In the first of his new points that should be added to the points of concurrence that were agreed on and signed, he said that this unity should serve to guarantee peace for Nicaragua and contribute to that of Central America. We agree with this, but it must be seriously considered that in order to achieve peace, unity must be based on finding common views among all the national organizations and sectors. All must participate actively in the great search for national coexistence which this forum is trying to find.

We need a unity with true democracy, pluralist participation, a true imperialist [as heard] attitude, true defense of our sovereignty and a true socio-economic transformation to benefit the large majorities--I meant to say a true anti-imperialist attitude, I said it incorrectly. This is what will truly lead us to that peace mentioned by Commander Nunez--the permanent peace which Nicaraguans want so much. By existing in our country this permanent peace would be the best contribution to peace in Central America.

On the second point, Commander Nunez was referring to specific efforts and minimum concurrences in action by each organization. Regarding this, we understand that each of our organizations must engage in common actions following these agreements. However, the contribution of these specific efforts and concurrences that have just appeared can only be forged through a patriotic attitude in this forum. As I mentioned yesterday, we must forge a true national unity in this forum.

Regarding Commander Nunez's third point--that the FSLN and the other organizations must be responsible for this unity--I want to say that this must be clearly explained, because the previous problem was that unity was based on one organization, while the true unity that Nicaraguans must find is a unity without submission to any organization but to the people, only to that heroic people who overthrew the dictatorship: workers, businessmen, political parties, labor unions, youths, housewives, all the Nicaraguans who fought against the dictatorship.

Regarding the fourth point, the obligations that will bind us to carry out these agreements and our influence over various sectors, we have also had problems here in the past few months after the victory because at our level of leadership we have reached many agreements but these agreements are not truly transmitted to our rank and file, and they act differently from what we have agreed on. It is important to note that if we are going to fulfill these agreements, the pretext that they were not transmitted to the rank and file or that the rank and file was not controlled should not be used. We must be willing, as leaders, to guide our rank and file so that these agreements can be fulfilled.

My time seems to be almost up. I will only refer now to the fifth point in order to conclude. Commander Nunez mentioned that national unity was the most firm guarantee and that it is necessary to counteract foreign aggression. We have been maintaining in this forum that if there is true national unity with all the sectors and aspects our delegation has mentioned, it will be the most powerful weapon to counteract outside aggression. Therefore, let's forge unity in order to find permanent peace.

[Solorzano] I wish to refer to the statement made by Commander Nunez to the effect that we have reached preliminary points of concurrence, that there are points of action that have already been defined and that we should move toward common commitments. He speaks of two tasks, the first of which is to bring the country out of its state of economic prostration and the second is to defend the revolution.

I would like to comment that the latter topic is scheduled for discussion in the next session. Therefore, I suggest that discussion of the portion of Companero Nunez' document on points of concurrence that refers to defense be postponed until the next meeting, as we had agreed.

[Nunez] I wish to emphasize two things with regard to the proposals that we made in our initial statement. I reaffirmed that in the framework of national reconstruction the FSLN is responsible for leading the process. It is indisputable that within that framework it will continue to be responsible, regardless of anybody's wishes and for as long as it is there.

If it is ousted some day, then we will see what happens in the country. We also wished to say, to make clear distinctions, that when we speak of the revolutionary process, the FSLN must be seen as a force that occupies a specific place in this country, among the people, that it has undoubtedly earned. It has not earned it by pulling the revolution out of a hat like a magician produces a rabbit. Instead, it had to travel an entire road and on that road, in the initial stages, it did not enjoy much support, either at the very beginning or in the first years. It had to make its own way until it became an organization that, through a strategy that also incorporated all other forces, led to this process, the process of the revolutionary overthrow of the Somozist military dictatorship.

It is not true--as has been said during the ideological struggle during these discussions--that there have been political, ideological, military, civilian and journalistic vanguards. That is simply an argument that, given the needs of the revolution at certain times, could be considered a diversionary tactic. No revolution is possible without coherent tactics and strategy. In time there come others who either strengthen those tactics or indicate errors.

Therefore, in speaking of the FSLN as the guarantor and the leader of this process and as an organization that is largely responsible for the crystallization of this project, one is not saying that it is obligatory for the Social Democratic Party, the Social Christian Party, the National Democratic Movement and the Liberal Constitutional Movement to say: I recognize the FSLN as the vanguard. That is not what we mean. However, it is not possible either to close one's eyes to reality and ignore its role, its scope or its historical dimension.

Additionally, it is also necessary to indicate clearly that Sandinism, as the expression of a struggle--and I have said this on past occasions--was rescued by Carlos Fonseca. If credit for this is to be given to anyone, it should be given to Carlos Fonseca, just as he is to be credited with being, although he is dead, the leader of this revolution, not only because he was the founder of the FSLN, but because he was a man who, after Sandino, used all his influence and his strength to create an organization that, in time, became the vanguard of this country. I repeat that it was a vanguard that did not have support. I believe that at that time it did not have the sympathy of many organizations. Even Pedro Joaquin Chamorro, in the first years of the FSLN's existence, did not agree with the FSLN, with its policies or its forms of struggle. Yet, Chamorro himself, shortly before his death, was obliged to recognize... [does not complete sentence] We also have to study Pedro Joaquin Chamorro from the viewpoint of his historical development, his image, his successes and his errors. Basically, what we must emphasize are the changes he underwent throughout the course of a lengthy struggle, also in a search for the progress of society, before arriving at the postures with which he is identified in our country's history. He recognized the FSLN as an option that no one could continue to ignore at the time. I think that these comments are necessary to explain precisely what one means when one speaks of the FSLN.

[Sacasa] I want to explain that when I referred to any radical group which appeared early in the days after the revolutionary victory, bitterly fighting the revolution to the extent that some of these radicals were imprisoned and some of them confessed, I was trying to say that if they were fighting the revolutionary government it was undoubtedly because they did not agree with the ideas, actions, integration, thoughts and decisions of the revolutionary government. When I see that these men--whom I have always admired for their ideological determination--are praising and defending the revolutionary government I have to conclude that the revolutionary government changed its guidance and line and deviated from its bases. This is a source of concern to me, because I feel that in these changes, deviations and alterations lies the origin of the destruction of our national unity.

[Urros] It is important to note what Commander Nunez said: It is not necessary that these delegations recognize the FSLN as the vanguard, but they should not ignore the role it plays. It is important, I note, because we had said that if there was unity around a single organization, this was not a true unity. Therefore, the only unity there should be is that around our people. I also think it important to note that Commander Nunez said the FSLN will try to influence its sectors toward better understanding of the agreements. I believe this is a great thing, because the implementation of agreements made at a certain leadership level has been one of the biggest problems. The commitment made by Commander Nunez here to see that his sectors understand and observe the agreements is a great step because this is where we have had problems. We are also committed to exerting pressure on our sectors to have the agreements enforced.

[Corrales] Companeros, we have already distributed three documents. Two of them present the positions held by the two delegations on the topic of unity in a more official way. The third one also states a position. We have not distributed enough copies of the second document, called "national unity," which was presented by Companero Macias. We will forward them to you tomorrow morning through Companero Fletes, so the entire delegation can have access to the same elements in order to voice its ideas or concerns at the session on Thursday. At this point we would like to confirm that the other documents are ready and in the hands of each of the delegations. It seems to me (?that this is helping, since) we are at a point where conclusions are being reached and final presentations are being made on the topic of unity. Perhaps we could stop the session at this point and implement the mechanisms that are contemplated to follow the debates.

As moderator, I would also like to note the following: It seems to us that the subject of unity has emerged in response to all the problems that have been discussed in the past few days, as a mechanism that should be implemented. Some of the characteristics of this unity have been described today while presenting unity as something necessary for the revolution, for our revolutionary process. These characteristics are mainly geared toward clear goals which, on the basis of all that has been said, fall into two areas: the task of defense and the increase of production, within the framework of this process or initial stage known as reconstruction.

Another mechanism proposed is that of unity in action now, at the present stage. I would say these are the major aspects on which there have been concurrence, despite the natural differences and views held. I would say that in general there is some concurrence regarding these matters.

Aside from this, more specific issues are included within the concepts of defense, production and unity in action. There has been talk about the defense of the process and about defense from the warmongerers' attacks. There has been talk about the characteristics of this unity, which constitutes a wall of contention against foreign attacks. There has also been talk about unity aimed at discouraging those who constantly try to attack the revolutionary process and of unity to guarantee peace in Nicaragua and Central America.

These aspects have all been derived from the debates and analyses. We will take them and the documents which you have presented into consideration. These elements will be considered by the moderator in order to submit to you in time--we hope no later than Wednesday morning--the proposal of minimal concurrences, which would include the two topics discussed this weekend, that of our foreign and domestic policy and the subject of unity, which was debated today.

This being the case, and without anything further to add, I am suspending our activities for today, while inviting you to attend next Saturday at 0900, when we will discuss the defense of the national sovereignty, as indicated earlier.

## SECOND ASSEMBLY FOR WORKERS' UNITY MEETS 4 JULY

### Participants in Event

PA032215 Managua Radio Sandino in Spanish 1800 GMT 3 Jul 81

[Excerpt] The second Assembly for Workers' Unity will be held by urban and rural workers at 0900 on Saturday. This important event for all Nicaraguan workers will be held at the Maestro Gabriel Institute's auditorium. The members of the government junta and delegates of the National Directorate of the Sandinist National Liberation Front [FSLN] will be present. The assembly will be dedicated to the memory of the heroes of CUA, the martyrs who were recently killed by the genocidal gangs. Companero Edgardo Garcia, secretary general of the Farmworkers Association, ATC, speaks of the program of the assembly and the participation of the farmworkers:

[Begin recording] The meeting will open at 0900 with the presence of companeros of the FSLN National Directorate, delegations of the government junta, the Communist Party of Nicaragua and the Marxist-Leninist People's Action Movement. Delegates of the National Union of Farmers and Cattlemen will also participate in the inauguration of our second assembly.

[Question] What is the degree of participation of the agricultural workers in this assembly?

[Answer] Seventy rank and file companeros will participate. They are delegates of the country's most important agricultural areas, mainly coffee, cotton, tobacco and rice. [end recording]

## Workers' Unity Document

PA051625 Managua Radio Sandino in Spanish 1551 GMT 4 Jul 81

["Basic document" of the second National Assembly for Workers' Unity of the Nicaraguan Labor Coordination Organization, held in the auditorium of the Maestro Gabriel Institute in Managua; read by Nicaraguan Workers Federation coordinator Lucio Jimenez--live, broadcast in progress]

[Text] ...we are absolutely sure that the main problems affecting the national economic situation and inflicting hardships on the pocketbooks of our working people stem from the combined actions of imperialism and the exploiting groups, who for years have sacked our country and submitted the working class to the most iniquitous levels of exploitation, and that this situation grew more serious when Somozism, in its mad, wild flight, sank its predatory claws into out emaciated and battered economy, leaving the country in ruins, sacking the banks and destroying the means of production.

We know that a large number of businessmen remained in Nicaragua following the 19 July 1979 victory, and that they have had adequate, and in many cases excessive, help from the state. They accepted the demands of a mixed economy: to participate in the national reconstruction process in a responsible manner. However, there are many incidents of abuse of our people, such as sabotage of production, the drain of foreign exchange, nonreinvestment of profits, exaggerated demands for subsidies, which must be paid from our people's pockets, and the flight [of capital and individuals] from Nicaragua to Miami, the den of the counterrevolutionaries. [30-second break in transmission] ...that order be brought to production in the private, people-owned, and mixed sectors because the people's interests are at stake in all these areas, and they have been hurt by disorder and mismanagement, sabotage, and the flight of foreign exchange and businessmen, who leave without paying their debts and who take our foreign exchange which is needed to purchase raw materials or spare parts.

The labor movement, directed by the Nicaragua Labor Coordination Organization [CSN], considers that only through effective participation in economic endeavours will the workers assume their responsibilities in a more effective manner.

In the first place, this participation should seek to clarify the national economy in general. Direct management should begin in each company in accordance with existing experience. There should be due legislative support, since this demand has already been made known to the State Council. We also reject the confusion which the unions that serve the interests of the exploiters have sought to create within the labor movement by talking of self-management and co-management. They want the workers in each company to play along with the capitalists so the latter can sabotage their obligations to pay taxes and reinvest their profits in accordance with national development needs, which should be established through general planning.

The labor movement believes the capitalists should be forced to reinvest a large part of their profits in accordance with national production needs. We are being told about self-management in an effort to create illusions among the working masses, foment group spirit and make certain groups of workers oppose the state, order, and control over the capitalists. They want to use the union movement as a shield against the state's measures aimed at... [30-second break in transmission] ...should be made without accepting the administrators' responsibility in making decisions that correspond to their duties, so they assume their own responsibilities and respond to both their successes and their mistakes. However, in participating in management and in the process of decision-making, we workers reserve for ourselves the right to voice our opinions and we will struggle to have our views, observations and proposals taken into consideration. Furthermore, the union movement will remain vigilant so that the union representatives who participate in economic management organizations will always express the union's rather than their individual views and will always report to their directive board and to their assembly in order to make participation as democratic and representative as possible and to avoid problems necessitating rectification. Participation in the management of private enterprises should strengthen the union movement and force out the class conciliation that the bosses are trying to promote in various ways, even going as far as to bribe leaders or make them commit themselves to the bosses' efforts to lessen the labor movement's belligerence. Each union will have to fight these dangers.

Participation in the economic endeavors includes both production and administration and deals with [30-second break in transmission]...increase productivity and avoid the waste of resources or time.

This second assembly publicly recognizes the general concern evident within the labor movement over patriotic and revolutionary vigilance to protect the development of production and point out problems, instances of negligence, sabotage or flight of currency. We think, however, that it is not enough for workers to be concerned. Workers and peasants should also be provided with the legal instruments that make it possible to punish crimes and put the economy in order. This task should be carried out through the institutions of the revolutionary state, which constitute the working masses' instrument of power.

For the classist and revolutionary union movement led by the CSN, the solution of our economic problems poses a historic challenge in connection with the fate of the political power conquered by the people. This is why we will remain mobilized to influence decisions, for it is not enough that we be consulted. Instead, the workers' mass movement should influence resolutions in order to make the process advance and to support our revolutionary institutions in connection with necessary measures. We conceive the decisive nature of the workers' participation in the forms of management, control, denunciation, pressure whenever just and necessary, and participation in the executive and planning bodies.

2. Labor and social demands: The union movement demands the immediate implementation of a process that leads to the scientific organization of work through regulation. The union movement's demands in connection with wages and the improvement of living and working conditions have made us reach the conclusion that only through a scientific organization of work will it be possible to resolve the problem posed by the need to effectively increase both production and productivity and therefore regulate wages in order to guarantee an appropriate living standard for the workers and their families. The labor movement in general feels that the Labor Ministry should move in this direction after consulting with the union movement. This consultation has not been taking place as effectively as required by the circumstances of the revolutionary process.

In response to a just demand by the workers, the CSN will fight so those collective agreements, which include clauses that the Labor Ministry rejects, are discussed with the corresponding CSN representatives so clauses can be duly explained and the workers' views are taken into consideration.

One of the union movement's most pressing economic demands calls for insuring that the Nicaraguan Basic Foods Enterprise supplies the work centers. This is because of the need to defend the workers' true wages in the face of speculation, a negative phenomenon that our institutions have not yet managed to control. We will also fight for effective control of prices in order to defend our people, who are being victimized by those who unscrupulously traffic in the people's hunger. We will also fight for the construction of functional dining areas in those work centers that lack them. We will fight for the regulation of nutrition in agricultural and livestock enterprises, in accordance with regional customs.

As regards wage policy, the CSN will fight so a single wage policy is fulfilled, not only in the People's Property Area, but in the private sector [word indistinct]. We will also fight to have the Labor Ministry regarded as the guiding element, since if the same policy is not respected in all areas, anarchy ensues and production is affected by the capitalists' harmful and unacceptable competition, mainly to the detriment of state enterprises.

As regards wage increases, the union movement has been indicating that despite the low standard of living, if the prices of the staples consumed by the workers and the cost of the services they must pay were guaranteed, there would be no need to raise wages. However, as long as inflation continues to affect the workers, we will fight for wage increases, always with revolutionary spirit and without falling prey to economicism [economicismo]. In other words, we believe that production and productivity must be increased alongside wages in order to not fall into a spiraling inflation which in the end would cancel the effect of the wage increase.

We are also waging a just struggle to revise insufficient wages that affect experienced and qualified workers who are not being taken into consideration.

As regards wages, the labor movement must view it from two angles: One is a readjustment of wages to just levels through a slow and gradual process that the union movement will have to assume permanently. The other angle is that there is an immediate need for wage increases in order to confront the rising cost of living.

As regards wage increases, the CSN will fight to establish its participation in the state bodies--Labor and Planning Ministries--in order to continue studying inflation and the workers' cost of living and thus be able to help define the wage readjustment policy, understanding this to be a transitory situation until effective price controls and a minimally appropriate standard of living can be guaranteed for both rural and urban workers. We urge technicians and professionals not to allow themselves to be bribed by high salaries that upset the wage policy.

We regard the many complaints of the workers and peasants who are not being aided promptly and carefully at the single health system centers as a demand of utmost importance. We workers, the direct producers of the material and spiritual wealth of our people, must receive suitable attention within the limitations of the single health system, which is characterized by fraternal and diligent spirit and treatment.

We will fight for better control of the prices of medicines and for more supplies for the [word indistinct] drugstores so workers do not have to buy in private drugstores.

Another demand concerning health deals with the professional risks run by the health workers who come in contact with infectious and contagious diseases and other illnesses. We include an active plan of struggle for the improvement of hygienic and occupational safety conditions in the various work centers. We will continue to fight through the State Council to achieve reform of the labor code in those areas where it is most harmful to the workers' interests--the (?aggressive nature of) Article 116, the need to revise the rules on the rights and duties of workers, and so forth. This code will have to be gradually reformed, always with the participation of both the CSN and the Labor Ministry.

As for demands concerning houses for workers, we will insist that the programs of the Ministry of Housing should give priority to the type of houses that workers can afford and also that these programs gradually help solve the farm workers' problems at their respective work centers. All this falls within our national economic limitations, as a result of which the construction of houses for the majority of Nicaraguans, who suffer from a lack of housing, is viewed as a long-term demand.

The CSN endorses the expansion of agrarian reform so landless peasants can have access to untilled land and to large estates which still monopolize vast areas of arable land, thus taking a firm step toward the profound transformation of our country's current economic structure. [We want] an agrarian reform that advances by using untilled land, by eliminating large estates or property controlled by landholders and by organizing agricultural production through associative forms, such as cooperatives.

3. The CSN, in the struggle to achieve the labor movement's unity and the organization of unions for each area of work and of a single federation of unions on the basis of class interests, which constitute the fundamental basis for the unity of the labor movement, and under the revolutionary and belligerent guidance of the CSN, plans to fight to achieve the precious unity of all rural and urban workers in a single movement, with a single structure and a single program of struggle. Revolutionary principles constitute the backbone of this unity.

This process of unity is gradual and will be achieved as new levels of union organization and activity are reached, revolutionary awareness intensifies among the workers and the CSN proves that it truly represents the working masses' interests. The path toward unity is filled with experiences and has shown us that we need not hasten, but must advance firmly and surely even if somewhat slowly.

The CSN represents the most notable advance made in connection with this effort aimed at unity. The results are very encouraging, since the immense majority of the unions and members are under the organizational structures of the federations that comprise the CSN. This makes it possible to undertake confidently the task of attracting those sectors that still suffer under the ideological cand political influence of the bourgeoisie, as members of the Nicaraguan Workers Federation [CTN]. [15-second break in transmission]...when the [word indistinct] federations which today are known as CTN and Confederation for Unity of Trade Unions [CUS], both affiliated with the Inter-American Regional Organization of Workers [ORIT] were founded. The CTN was created by the Social Christian Party, which included known elements of the Conservative Party, who organized that bourgeois-reformist party and immediately undertook the task of dividing the union movement. The CUS for its parts was created through the direct intervention of agents of the U.S. union movement, who on many occasions have infiltrated the Latin American union movement to divide it.

Today, after 2 years of revolution, those currents have proven that they are not on the side of the revolution. On the contrary, they can be found beside the capitalists and the higher council of private enterprise in all their political undertakings. For this reason, the CSN openly confronts those currents. Until they give convincing evidence that they are rectifying their conduct as slaves of the bourgeoisie, we will continue to fight them thoroughly so that the few workers still under their influence can open their eyes and join the CSN.

At this second assembly we will also debate the organization of unions for each area of work as a prior step to the struggle for the formation of a single federation. We also think we can advance toward unity by asking all sectors to join the single workers federation and defeat the probourgeois currents.

The CSN is working toward and in the next 6 months intends to take the first effective steps for the creation of unions for each area of work.

We have to provide our CSN with a declaration of principles that serves as a guideline during our struggle for the thorough democratization of this country, for our definitive liberation from U.S. imperialism's neocolonialist yoke and for bolstering our steps toward the victory of socialism in Nicaragua. This declaration of principles must raise the banner of the proletariat's class independence very high in light of its revolutionary doctrine. It must uphold the conscientious practice of proletarian internationalism, the working class' hegemonic role in our revolutionary process and the unity of the labor movement; all the workers and the people under the banners of the struggle for scientific socialism. It must also uphold the unification of the union movement into a single workers' federation around the working class' basic principles and traditional tasks.

We must firmly uphold the revolutionary alliance between the working class and the poor peasants as motor forces of the revolution; also the masses' decisive role in all the political, economic and social transformations wrought in our country, while stressing the unity of the revolutionary forces around the theory of the proletarian revolution. Doubtless, we must also uphold and develop our people's truly democratic and anti-imperialist alliance for the defense of the national sovereignty and Nicaragua's economic and social deveopment. This alliance includes the Independent Liberal Party and the People's Social Christian Party.

All workers are firmly convinced about and conscientiously willing to help achieve the unity of our revolutionary forces, as expressed through the Sandinist National Liberation Front, the Communist Party of Nicaragua, the Nicaraguan Socialist Party and the People's Action Movement. We have placed our total confidence in them and we are sure of the successful role they are playing in the effort to achieve the final liberation of both the workers and the Nicaraguan people.

Undoubtedly, the forum for the discussion of national problems has elicited much interest among our people. We workers hope that the revolution's ideological and political problems will be discussed and explained. The capitalists, however, expect the forum to help curb the progress made by this process, to make the forces of the revolution retrogress, to reconcile the parties and classes and to seize some power from the revolutionary state. It must be established that social contradictions in our country have been aggravated to such a point that it is not possible to conceal the antagonisms that exist among the various classes.

For the working class, the forum is a tribunal for the denunciation of imperialism's economic aggression and threats of military aggression against our revolution. The forum is an open field for the sworn defense of the revolution in the face of attacks by the reactionaries. It is a big effort to achieve greater unity among our revolutionary forces. The forum must help politically enlighten our people about the positions held by the revolutionary parties and unmask the backward positions held by the bourgeois parties.

We expect the bourgeois parties to sign with our parties joint documents on the defense of the national sovereignty and the revolution and on national and international denunciation of the aggressive plans of ousted Somozism and U.S. imperialism against Nicaragua, Cuba and the Salvadoran people. We want documents supporting the country's economic and social development programs and condemning the sabotage of production and the capital depletion that many capitalists have been carrying out. Our working class is sure that except for this patriotic and revolutionary line, no other political commitments can result from the forum.

4. We, the rural and urban workers, are the first and staunchest defenders of the revolution; we will strengthen the Sandinist Peoples Militia:

The first and basic historic task that the worker-peasant movement has on its shoulders within this revolutionary process is defense in the face of enemy attacks by imperialism and the counterrevolutionary bands that it encourages and against any attempt by the local reactionary circles. The latter's interests as big exploiters have been dealt a blow at their very roots and they cannot resign themselves to losing political power and to abiding by the conditions the revolution must impose on them. This is why the workers and peasants, firm and on the front line of combat will always be willing to make any sacrifice to defend the freedom achieved, the people's power, the revolutionary institutions and our people's sacred right to build the just society they deem suitable on the basis of the principle of self-determination, which is inalienable to all peoples.

Our revolution demands a lot from us in this connection because without defense there is no revolution. The labor movement, however, also demands a firm hand from our government against the counterrevolutionary elements that commit capital depletion, finance bands, seek to deceive the peasants with imperialist money by offering it to the cooperatives and that abuse the communications media, such as LA PRENSA, Radio Corporacion and other radio stations.

Tolerance should not be mistaken for weakness and our power should make use of its legitimate right to enforce the laws in order to punish those who openly engage in counterrevolutionary activities.

The CSN will always appeal to the workers, peasants, professionals and employees, to join the militia and strengthen the reserve battalions and the mobile, local and territorial units.

As a union movement demand, we ask all enterprises to provide a place where the militia units can operate to guarantee the factory's military defense. We also demand the implementation of the decree on the tenure of workers in the militia who are mobilized, except in those cases where the enterprise disappears for a just cause in accordance with the law.

[Signed] CSN National Executive Committee, 4 July 1981

## Lopez on Organization, Goals

PA060316 Managua Radio Sandino in Spanish 1625 GMT 4 Jul 81

[Commander Victor Manuel Tirado Lopez speech at the second National Assembly for Workers Unity of the Nicaraguan Labor Coordination Organization, held in the auditorium of the Maestro Gabriel Institute in Managua--live]

[Excerpt] We must not forget that in the economic field, the great task of the workers is to head the struggle to promote production and productivity. This was one of the basic agreements reached during the November assembly and it is still in effect.

As a matter of fact, during these meetings we should analyze the spirit of these agreements approved by the Nicaraguan Labor Coordination Organization [CSN] during its inaugural assembly last year. Four basic agreements were approved during this meeting. They are, if I remember correctly:

1. To increase production and productivity.
2. To improve working conditions, social services and salary increases according to the national economic situation.
3. To observe strict revolutionary discipline at work centers.
4. To settle labor conflicts without halting production.

We should ask now: Did we increase production and productivity? Did we improve working conditions and social services and were salaries increased according to the nation's economic situation? Did we maintain strict revolutionary labor discipline? Did we settle labor conflicts without halting production? If we want to give a sincere and frank reply to these questions, we would have to say that in some cases we did, in others we did so in part and there were also cases in which we did not.

Let us look at salary matters for example. There were cases in which salary increases were given in a chaotic manner, without order or coordination. Each instance was dealt with as an isolated case. As a result of this, some work centers received increases and others have salaries much lower than those paid in similar concerns.

I believe that the CSN should really control this matter, make a specific decision and present salary demands according to it. However, at the same time, the CSN should abide by the dispositions and guidelines of the Labor Ministry. At no time can various institutions be delving into salary matters. In the long run this would lead to internal conflicts within the labor movement. The CSN should issue a resolution giving the Labor Ministry more authority and decision-making power. So far we have spoken of economic, political and labor matters. We have said that one of the main tasks of workers is to raise production and productivity. But we cannot, and must not, forget that one of the main tasks today is the defense of the revolution and the fatherland.

The Reagan administration, the Somozists and the rightist opposition say that they are very concerned because we are arming. They say there is no need to expand our armed forces. According to them, we must disarm in order to avoid threats and harassment from abroad. They claim that the money spent on the army and weapons should be spent on social projects.

Yes, equipping our armed forces is a burden for the people. However, it is a burden imposed by the enemies of the revolution. In view of the harassment from the Honduran border, the training of Somozist counterrevolutionaries in Florida and the threat of invasion, we cannot remain with our arms folded. We cannot disarm; we must sacrifice; we must take funds from social projects and invest them in the defense of our sovereignty, independence and territorial integrity. Yes, we are arming and we will do more so if necessary because the danger of an invasion is not only real but also imminent.

The rightist opposition claims to be very patriotic, but so far not one of them has stepped forward to defend the country. If they are so patriotic, why don't they go to the border to defend it? So far only the workers, peasants and Sandinists have contributed to the dead. The over 100 persons the Somozists have murdered along the border were of the people. They were not sons of the bourgeois or the bourgeoisie.

Of course we do not fool ourselves because, as Sandino said, only the workers and peasants will go to the very end. Nevertheless, the hardest tasks of the revolution are production and productivity and the raising of the revolutionary thinking of the working class in all aspects. In order to do this, the unions would have to assume the role of an incipient revolution, that is to say, we must change the labor movement and create a proletarian awareness.

Isolated demonstrations within the labor movement should be rejected by the working class. Our fundamental awareness, our class awareness, is evident in labor unions. Revolution as a progressive and developing process also develops the awareness of the working classes until it has reached the levels of revolutionary ideology. This is why we insist that the working class must be aware of its role in the revolutionary process and, above all, take charge of production and productivity, just like the companeros of the (INMAC) [expansion unknown] will take charge of the staple grains production.

We ask the CSN the extent of its commitment, using the experience of the National Union of Farmers and Cattlemen, in the great tasks programmed by this revolution? What are its goals and how committed is it?

We hope that their revolutionary awareness will reach the peasants so that we can obtain the [words indistinct] of this revolution and that they will not only be written documents.

Companeros, we wish you success in this assembly. We hope that the experiences of the first assembly will help us so that agreements and resolutions approved here will be totally fulfilled.

Viva the second CSN assembly. Viva the 20th anniversary of the great Sandinist revolution. Free fatherland or death.

## Daniel Ortega Address

PA052313 Managua Radio Sandino in Spanish 1652 GMT 4 Jul 81

[Speech by Commander of the Revolution Daniel Ortega, coordinator of the junta of the Government of National Reconstruction at the second National Assembly for Workers Unity of the Nicaraguan Labor Coordination Organization, held in the auditorium of the Maestro Gabriel Institute in Managua--live]

[Excerpts] We have said on several occasions--and we repeated this yesterday during the "Facing the People" program--that Nicaragua's problem is that of poor countries, of economically dependent countries, countries dependent on unjust international economic relations. Or is it not unjust that all the products that we have to import are more expensive each year, that the machinery and spare parts for that machinery are more expensive each year, as are the buses we import to transport the people? Each year, on the other hand, those same industrialized and developed countries take advantage of the blood, effort and toil of the poor and underdeveloped Third World countries and, while imposing on us a price for the products, machinery and medicines they sell us, they also impose on us prices for the products they buy from us. However, the tendency here is not always in the same direction. Our countries are always worried about prices because we know that the possibility of the prices of our products rising is always very limited; most probably their prices will decrease.

Despite the efforts made by the revolution and the Nicaraguan workers, this year, as a result of the lower prices determined by buyers, we have lost over $100 million. Coffee, which we sold last year at an average $175 to $180 per quintal, is currently selling at an average $80 per quintal. This is a measure of our people's great tragedy.

Wages are closely connected with this problem. If the solution to Nicaragua's economic problem were merely one of raising wages, it would be easy for the revolution to issue a decree under which all Nicaraguans would earn a minimum wage of 5,000 or even 10,000 cordobas. But the problem does not lie there. The solution to the problem does not lie with wage increases. The solution to the problem lies with increased production.

By increasing our productivity, we will have a better chance of sustaining ourselves in the face of the difficult situation posed by the international market. We will thus be able to generate currency with which to buy the tractors, medicines and spare parts we do not manufacture here. By increasing our productivity we will also have the chance to become self-sufficient in the production of beans, corn, rice, oil, meat, meat derivatives, cheese, butter, and so forth. This in turn would improve the workers' real wages. The ideal thing would be to establish a minimum wage--and we know that there are workers who earn too little--that would satisfy the basic needs of those who earn this minimum wage. In order to reach that minimum wage, however, we must first increase productivity.

In the meantime, we are involved in a game. We are engaged in an illusory wage increase because if we increase wages, but the production of basic grains is still limited, we must therefore use the dollars we obtain from our exports to buy beans, corn and rice to satisfy our people's needs, then we are really not coming up with the best response.

We are making big efforts in connection with the bread for Nicaragua project. We have been seeking international support for this project, which will allow us to become self-sufficient in the area of basic grains. But this is still just an effort, the results of which we will not see very soon.

Somozism deformed and corrupted a large part of our society, and when we say a large part of our society, we are referring not only to the people in the government, but also to vast sectors of the workers. Otherwise we could neither understand how some workers can even agree with the positions held by labor federations that are controlled and directed by those who exploit them, nor could we explain the lack of discipline on the part of certain workers, the lack of efficiency at work or the reported cases of theft. The workers' sector itself is not totally pure. There are vast sectors of workers throughout the world which have been formed and manipulated to such an extent that we cannot consider them a part of the working class as such. [Sentence indistinct] In other words, they do not have class awareness; they are merely instrument of the class that dominates and exploits them. This is a real problem here. The working class must wage a huge struggle to strengthen its class conscience. What is the working class' principal instrument to strengthen its class awareness? This Nicaraguan Labor Coordination Organization [CSN]

The basic document [of the CSN's second National Assembly for Workers' Unity] also mentions your concern about agrarian reform. True, the revolution has not yet had the chance to implement a complete agrarian reform policy. It is engaged in the big task of insuring and putting to work all those vast properties owned by Somoza, the Somozists and their allies, which were completely depleted of capital when the revolution took them over. The task has been very difficult and big. Efforts have been made in that connection, some progress has been made and we agree with your view that it is now time to implement certain measures that truly guarantee a transformation in this society regarding the effective use of land.

I would like to refer to the document's appeal to the technicians, who are urged not to let themselves be swayed by salaries. Your appeal is very just and is aimed at the technicians' consciences. We are sure many of those technicians will respond to that appeal, a few others will not. However, we must also be understanding and make efforts to win those technicians over to the side of the revolutionary process. We must fight some of the critical attitudes exhibited which in many cases are unjust, while in others they are just.

The problem is viewed incorrectly if we regard technicians as members of the bourgeoisie. A technician is simply a highly qualified worker. There are, of course, technicians who act and think like the bourgeois. This logically elicits the rejection of the workers. An effort should be made to change those technicians' way of thinking, not by pushing them to the side of the enemy, but by seeking to win them over to the side of the revolution. We should not generalize about technicians in this connection because when we do, we place them in a bind. They argue: On the one hand, the bourgeoisie views us as traitors because we used to work for them. We have sacrificed our wages because we used to earn 20,000 pesos and now we are limited to the 10,000 pesos that the revolutionary state pays us. The local private companies are offering us 20,000 and 25,000 pesos and we are receiving offers from abroad, yet we are sticking to the revolution but feel the unjust pressure exerted on us by some of the workers. So the technicians must make an effort to win the workers' confidence, while understanding that the workers have every right to be prejudiced, because of the relations that existed for decades under the previous system. The workers, for their part, must make a big effort to win those technicians over to the side of the revolution.

Despite the Nicaraguan revolution's efforts to maintain and develop serious and respectful relations with the United States, the acts of economic aggression, the constant threats against our country and the tolerance shown in the case of the training of Somozist guardsmen on U.S. territory clearly show the nature of the U.S. policy toward Nicaragua. The current administration has been making incessant efforts to weaken international support for the Nicaraguan revolution.

This assembly, which is being held on the U.S. Independence Day must be viewed within the framework of greater working class unity, which is the unity of the revolution. The latter also means unity in the face of the warmongering and aggressive stands that characterize U.S. policy. Unity must help confront that adventuresome policy and seek a coherent, serious and reasonable response to the international relations that nations should maintain. In this case, unity must also help us obtain the respect of the peoples of the world and of the U.S. Government. As you yourselves explained here earlier, unity also means defense of the revolution and, to the extent that this defense of the revolution becomes visible, the enemies of this revolution will have to think very carefully before undertaking an adventure. Their aggressive and warmongering policy will, therefore, be limited.

We could say that the workers' unity is basic to the progress of this revolutionary process. The CSN's responsibility is big, since the results of this unity process will affect the future of the Nicaraguan revolution.

## BRIEFS

CHARGE D'AFFAIRES APPOINTMENT--The Foreign Ministry yesterday announced that Melania Gonzalez Balladares has been appointed Charge d'Affaires at the Nicaraguan Embassy in El Salvador. [Managua Radio Sandino in Spanish 1200 GMT 3 Jul 81 PA]

MORE JOIN MILITIAS--Over 70 percent of the companeros working at Las Delicias, Leon municipality, have joined the militias, according to information received from that city. [Managua Radio Sandino in Spanish 1200 GMT 30 Jun 81 PA]

LOANS GRANTED TO NICARAGUA--The Nicaraguan Government has received a $30-million loan from the World Bank to finance the exporting goods business. From this loan, $27 million will be used to purchase spare parts for machinery, raw materials and to put industries that were damaged during the liberation war back into operation. A few days ago the Nicaraguan Government also received an $8-million loan from the Inter-American Development Bank for reforestation programs; plus a $1.2-million donation from the same institution which will be used to finance some of the Nicaraguan natural resources and Environmental Institute projects. The International Reconstruction Fund, a Nicaraguan institution, is in charge of managing the funds obtained through foreign loans. [Managua Radio Sandino in Spanish 0300 GMT 30 Jun 81 PA]

PRESIDENT DECIDES NOT TO RUN FOR REELECTION

FL011935 Mexico City NOTIMEX in Spanish 1724 GMT 1 Jul 81

[Text] Santo Domingo, 1 Jul (NOTIMEX)--Dominican President Antonio Guzman has announced that he will not run for a new term in government, thus solving one of the most heated questions which might have affected the electoral process that will end with the elections on 16 May and the change of government to take place on 16 August 1982, according to opinions voiced in political and journalistic circles here today.

The deputies of the Dominican Revolutionary Party [PRD], faithful to the nonreelection principle imposed in 1978, have obtained approval by the Chamber of Deputies of a draft law prohibiting presidential reelection. The bill was submitted to the Congress by President Antonio Guzman himself.

Antonio Guzman announced his withdrawal to the PRD, as well as his intention of supporting current Vice President Jacobo Majluta Azar as presidential candidate of the party. He will also give his support to Salvador Jorge Blanco as senator candidate for the National District and to Pedro Franco Badia for mayor of the capital.

PRD leader Jose Francisco Pena Gomez, in turn, showed himself very pleased with the president's decision and stated that it makes Antonio Guzman the first Dominican president, elected by unanimous popular ballot, to decide not to seek reelection.

SOCIALIST INTERNATIONALISTS AT PRD COMMEMORATION

PA060330 Madrid EFE in Spanish 0049 GMT 6 Jul 81

[Excerpts] Santo Domingo, 5 Jul (EFE)--For his gesture of not seeking the president reelection in 1982, former Venezuelan President Carlos Andres Perez described President Antonio Guzman as the "president of Dominican democracy."

Perez spoke together with his fellow members of the Socialist International, Mario Soares, Rui Mateus, Ruben Berrios, Ben Stephanski and Sandinist Commander Eden Pastora, before a large rally held in this capital by the ruling Dominican Revolutionary Party (PRD).

The PRD commemorated today, 5 July, the 20th anniversary of its legalization.

Rui Mateus, Ben Stephnaski and Eden Pastora pleaded for the unity of the PRD membership, agreeing that only through unity can the party become strong.

CARICOM FOREIGN MINISTERS ISSUE COMMUNIQUE

FL022105 Bridgetown CANA in English 2050 GMT 2 Jul 81

[Text] St Georges, Grenada, 2 Jul (CANA)--Caribbean Community (CARICOM) foreign ministers have issued a strong condemnation of U.S. "economic aggression" against Grenada, Britain's proposed Nationality Bill, and this month's tour of New Zealand by the South African Springboks rugby side.

In a communique after a 2-day meeting which ended here yesterday, the ministers also expressed concern about "continuing foreign influence" in El Salvador, decided to set up machinery for having the Caribbean declared a zone of peace, and supported Guyana in its territorial dispute with Venezuela.

The final conference statement described Britain's proposed Nationality Bill as "an iniquitous instrument which was clearly designed as a racist measure for controlling immigration," and said its passage through Parliament should be delayed until it was discussed at September's Commonwealth summit. The bill creates three categories of British citizenship, only one of which carries the automatic right to live and work in Britain. It has been strongly criticized by immigrant groups there.

Four of the 12 CARICOM members--Barbados, Trinidad and Tobago, Antigua and Montserrat--were absent from the Grenada meeting.

The communique said that they "noted with concern the economic aggression being waged by the United States against Grenada." "They felt that such economic and political pressure amounted to gross interference in the internal affairs of Grenada in contravention of well-established principles of international law," the document said. The ministers also condemned what they saw as attempts "to subvert" regional institutions to apply political pressure on individual member states. This appeared to be a reference to the U.S. decision to ask the Caribbean Development Bank (CDB) not to allocate any of a 4-million-dollar (U.S.) grant to Grenada, which is ruled by a socialist government. The grant was refused.

On the Springboks rugby tour, the ministers felt that if CARICOM states attended the Commonwealth finance ministers meeting scheduled for September in New Zealand "that would be to compromise their stand against apartheid" if the tour took place. They said that CARICOM should seek a change of venue for the finance meeting if the South African trip went ahead.

Guyana, St Lucia, Grenada and Jamaica are to be members of a working group to formulate measures leading [to] the declaration of the region as a zone of peace.

On the territorial dispute between Guyana and Venezuela, the communique said that the ministers reaffirmed their support for the territorial integrity of Guyana. They said that the action of Venezuela against Guyana did not accord with the fundamental principles governing international relations as enshrined in the Charter of the United Nations, in particular, the sovereign equality of states, respect for the territorial integrity and political independence of states, and the peaceful settlement of all international issues. In this regard, the ministers called on Venezuela to settle the territorial dispute wit- Guyana by peaceful means.

The ministers expressed their full support for Guyana's efforts to develop hydropower in the disposed Upper Mazaruni District as an alternative energy system and agreed to give moral and political support to this end.

On matters relating to the Law of the Sea, the communique said the ministers emphasized that the living marine resources of the Caribbean should be exploited for the benefit of the peoples of the region.

"Recognizing that harmonization of their approaches to the exercise of jurisdiction over the maritime spaces will assist CARICOM member states in meeting the intrusion by extra-regional fishing vessels, the ministers called upon CARICOM governments to work in concert to preserve and protect the living marine resources of the region for the benefit of its peoples." The ministers also proposed that CARICOM member states should enact legislations prohibiting nationals from extraregional countries from fishing within their fisheries zones except under licence or by agreement.

The ministers suggested that CARICOM states should attend the UN conference on new and renewable sources of energy to be held in Kenya in August. The ministers said that the conference, the first major one of its kind, had considerable implications for developing countries. They said too that member states should coordinate their positions for the meeting, paying particular attention to funding arrangements for energy projects so as to ensure that the region could benefit.

The ministers also expressed grave concern at "the continuing foreign influences" in the civil war in El Salvador. They felt that such a development was endangering the peace and tranquility of those CARICOM and other states nearest to the scene of the conflict. The communique said that the minister believed that the people of El Salvador should be allowed freely to arrive at a political solution to the conflict and said the parties involved should seek a peaceful settlement to the conflict.

On the question of Belize, the communique said the ministers reiterated that the independence of Belize must be achieved before year-end regardless of the progress made in the tripartite negotiations.

In this regard, the meeting welcomed the recent moves by the British Government [to] complete the constitutional arrangements necessary to achieve the independence of Belize. The ministers urged the British Government to continue to ensure the security and territorial integrity of Belize and, in concert with the Government of Belize, pursue appropriate arrangements to guarantee the security of an independent Belize.

It was also agreed that CARICOM member countries should give urgent attention towards enacting legislations relating to the activities of mercenaries.

The communique suggested that CARICOM states should continue with the policy of coordinated regional action for the drafting of an international convention against the recruitment, use, financing and training of mercenaries. The ministers proposed that member governments should consider the advisability of a regional treaty or convention or other appropriate action on the question of mercenaries.

On the situation in the Middle East and southern Africa, the communique said that the ministers condemned last month's Israeli attack on a nuclear power plant in Iraq. The meeting reaffirmed that a settlement to [the] Arab-Israeli conflict must be based on the clear recognition of the rights of the Palestinians to their homeland.

The communique also said that the ministers condemned South Africa for its efforts to "frustrate" the independence of Namibia.

SEVEN NATIONS TO APPLY FOR VENEZUELAN OIL

PA012051 Paris AFP in Spanish 1729 GMT 29 Jun 81

[Text] Georgetown, 29 Jun (AFP)--It was officially reported here today that seven Caribbean nations have agreed to apply for the purchase of Venezuelan oil.

The seven countries belong to the recently created Organization of Eastern Caribbean States that is madeup of Antigua, San Vicente, Saint Lucia, Monserrat, Dominica, St Kitts-Nevis and Grenada.

The members of the new organization, which is separate from CARICOM--an organization made up of those seven nations plus Guyana, Barbados, Jamaica, Trinidad-Tobago and Belize (in Central America)--have rehabilitated an oil refinery in Antigua, in the northern part of the Lesser Antilles.

The rehabilitation cost $30 million and the refinery will be capable of producing 18,000 barrels a day, a quantity that will meet the needs of the seven Caribbean nations.

It was noted at the CARICOM Secretariat that Jamaica and Barbados are the only CARICOM members countries that benefit at present from the Mexican-Venezuelan oil plan that was implemented in late 1980.

The CARICOM Secretariat is based here in the capital of Guyana.

## BARBADOS

### DLP'S BARROW SWORN IN, CLAIMS ELECTION RIGGED

FL012047 Bridgetown CANA in English 1950 GMT 1 Jul 81

[By Bertram Niles]

[Excerpts] Bridgetown, Barbados, 1 Jul (CANA)--The Democratic Labor Party (DLP) which lost the 18 June general election to the rival Barbados Labor Party (BLP) today alleged that the poll was rigged and called for an immediate inquiry into events on polling day.

DLP chief and former Prime Minister Errol Barrow put his party's position to newsmen shortly after his midmorning swearing-in for a second term as opposition leaders. The DLP, which lost power in 1976 after 15 years in office, won 10 seats in the election to the 17 of the BLP.

On election day there were repeated complaints from people that they were not allowed to vote for varying reasons and the government has ordered a probe. Charging that there had been a "systematic gerrymandering and rigging of the election process," Mr Barrow told reporters, "the DLP calls for an immediate public inquiry into the conduct of the 1981 general elections and urges all Barbados, irrespective of their affiliation to join in the demand for such a public inquiry...". He said that the preservation of "our democratic liberties" was more important than the fortunes of political parties.

Mr Barrow said the DLP was carrying out its own investigation into the election day mix-up and the complaints of a "large number of electors that they were unlawfully deprived of their constitutional right."

Mr Barrow said there had never been an election in Barbados that had seen so much confusion. "It seems clear to me that there was direct interference," he added.

### Adams Responds Charges

FL020107 Bridgetown CANA in English 0010 GMT 2 Jul 81

[By Bertram Niles]

[Excerpts] Bridgetown, Barbados, 1 Jul (CANA)--Prime Minister Tom Adams tonight strongly defended his Barbados Labor Party (BLP) administration from charges of election rigging and said the 18 June polling was "patently free and fair." Mr Adams conceded at a news conference that some people did not vote because of "registration problems," but said that the chief electoral officer felt these could only be a "couple hundred."

Earlier today opposition leader Errol Barrow had charged that a "large number of electors had been unlawfully deprived of their constitutional right to vote." Mr Adams told a press conference, called to respond to Mr Barrow's allegations, that three people, including an unsigned voter, had so far responded to an official investigation into the election day problems. He said that these difficulties included instances where persons qualified to vote did not find their names on the register, or whose names were placed in the wrong polling station or constituency. But Mr Adams said there had been no case so far of anybody whose name had been unlawfully removed from the electoral register after the publication of a preliminary list.

He added "I very much regret that some people did not take the opportunity to check the preliminary electoral list to see if their names were on that list...if they had...there would have been far fewer complaints on election day."

About DLP [Democratic Labor Party] calls for a public inquiry, "they are welcome to have an enquiry," and suggested that Mr Barrow write him on the matter if that was the DLP position.

## BRIEFS

OPPOSITION SENATORS--Bridgetown, Barbados, 1 Jul (CANA)--Former West Indies fast bowler Wes Hall was today named by the opposition Democratic Labor Party as one of its two members in the Senate. The other DLP senator is Evelyn Greaves, principal of the Barbados Workers Union Labor College and a senior assistant general secretary of the union. [Bridgetown CANA in English 2106 GMT 1 Jul 81 FL]

## GRENADA

### DOMINICA OPPOSITION LEADER ON U.S. AID PRESSURE

FL291550 Bridgetown CANA in English 1824 GMT 28 Jun 81

[Excerpts] St Georges, Grenada, 28 Jun (CANA)--The general secretary of the Dominica Liberation Movement (DLM) Bill Rivierre has come out strongly against recent moves by The United States to exclude Grenada from a proposed aid package to the Caribbean Development Bank (CDB). Rivierre told reporters here that the DLM was strongly opposed to moves by the U.S. administration of President Ronald Reagan to put pressure on Caribbean governments into denying the left-leaning Grenada Government access to U.S. funds channelled to the bank.

Rivierre said that the argument put forward by Washington for attempting to exclude Grenada from the funds was "no more than a shallow baseless rationalization."

"For one thing, a number of universally respected human rights organizations have time and again acclaimed the enjoyment of human rights and freedom by all sections of the Grenadian population. We deplore this as a new element in an ongoing imperialist strategy to frustrate the forward movement of the Grenadian economy, destabilize the People's Revolutionary Government and set the stage for its eventual overthrow. Our party deplores the U.S. move to a blatant violation of the universally recognized principle of noninterference in the domestic affairs of sovereign states," he said.

Rivierre exhorted member governments of the CDB to tell the Reagan administration that the region would not bow to "imperialist dictates. He called on the governments of the Organization of Eastern Caribbean States and the wider Caribbean Community (CARICOM) "to do all in their power to assist the process of social transformation now underway in free Grenada."

Rivierre said that the DLM considers the attempt by the United States to exclude Grenada from the funds "as a clever ploy to isolate Grenada from the rest of the English-speaking Caribbean. The U.S. must be told that we Caribbean peoples are in nobody's backyard. We call upon the Reagan administration to respect the universally accepted principle of noninterferrence in the domestic affairs of sovereign states", he added.

## DIPLOMAT CHARGES U.S. AGGRESSIVE POLICY IN REGION

FL031515 Havana Domestic Service in Spanish 1400 GMT 3 Jul 81

[Text] Mexico City--Richard Jacobs, Grenada's ambassador to Cuba and Mexico, has charged that the United States is preparing a new and aggressive attack on the Central American and Caribbean countries. The diplomat also warned that imperialism is preparing against his country a counterrevolution from abroad, an action which he termed genocidal.

He asserted that the traditional U.S. intervention policy is taking place through a destabilization action of pressure and blackmail, using the World Bank and the International Monetary Fund for that purpose.

Grenadian Ambassador to Mexico and Cuba Richard Jacobs urged the socialist parties in Central America and the Caribbean to apply in a creative way the lessons of history, that only mass action can oppose imperialism and its methods of domination.

## PRIME MINISTER STRESSES PEOPLE'S DEFENSE

FL010135 St Georges Domestic Service in English 2300 GMT 30 Jun 81

[Excerpt] Prime Minister Brother Maurice Bishop has charged that the ultimate aim of the counterrevolutionary plan drawn up by the Central Intelligence Agency together with the Committee of 26 is to eradicate the leadership of the revolution, [word indistinct] strong supporters and install the bloodiest fascist dictatorship in Grenada. Brother Bishop made the charge as he addressed the massive public meeting in the parish of St Andrews over the weekend. Prime Minister Bishop said that the (?three-fold) plan by the CIA was designed to turn back the progressive forward march of the Grenadian people, emphasize political sabotage, violent strikes and diplomatic isolation.

Against this background Brother Bishop said it was essential for Grendadians to be more organized in the mass organizations and the people's militia. At the same time, he said it was necessary for all to lift their political consciousness and be prepared to defend the country as a fighting people. He noted that it was necessary as this time for all to be trained and active in the people's militia so as to be prepared for the forces of imperialism when they land on our shores.

## TRINIDAD AND TOBAGO

### BRIEFS

NEW POLITICAL PARTY--Port-of-Spain, Trinidad, 3 Jul (CANA)--Trinidad and Tobago's newest political party--the People's Republican Party (PRP)--says it is in favor of jailing people who refuse to vote in a national poll. Formation of a party was announced by Dr Albert James Stewart, who said he was leader and that he favored a 6-month jail term for nonvoters. The PRP, the twin-island state's 32d registered political party, was launched yesterday. Dr Stewart said the party, if it won elections, would ban newspapers which did not "toe" the party line. It would also establish a national military service, he told a news conference. Dr Stewart said he also wanted to see a parliament comprising religious representatives set up here. [Bridgetown CANA in English 2210 GMT 2 Jul 81 FL]

BURNHAM ATTACKS U.S. FOR PLANE SALE TO VENEZUELA

FL062059 Mexico City NOTIMEX in Spanish 1648 GMT 6 Jul 81

[Excerpt] Georgetown, Guyana, 6 Jul (NOTIMEX)--Before some 15,000 youths participating in the congress of the Socialist Youth Movement, Guyana's President Forbes Burnham severely criticized the United States for its plan to sell F-16 combat aircraft to Venezuela. In a speech at the youth section of the congress of the People's National Congress [PNP], which is the ruling party headed by Burnham himself, the Guyanese president reiterated: "We will die before giving up 1 inch of our territory."

He said Guyana would not buy F-16 aircraft from the United States, not even if it had the money to pay for them. "But Guyana does not want F-16 aircraft because we do not have the resources with which to acquire them," he added. Burham noted that rather than combat aircraft, they want tractors, agricultural equipment and heavy equipment to build roads which would make development possible. In addition, they want to live in peace.

Referring to the Venezuelan demand for 159,000 square km of Guyanese territory, Burnham stated that Guyana continues to seek a peaceful solution in that respect. He criticized Venezuela because it is claiming Guyanese territory while it possesses thousands of square kilometers of uninhabited territory within its borders. He called it an act of greediness.

FOREIGN MINISTER ON BORDER DISPUTE WITH VENEZUELA

FL061820 Bridgetown CANA in English 2040 GMT 4 Jul 81

[Text] St Georges, Grenada, 4 Jul (CANA)--Guyana's Rashleigh Jackson, who visited Grenada this week for a regional foreign ministers' conference, maintained that his country has no border dispute with Venezuela, but instead was being confronted with "a political situation." Mr Jackson told reporters here that Venezuela's claim to five-eighths of Guyana was "null and void."

Venezuela claims that an award of 1899 arranging their common border was incorrect and because of that an agreement was reached in Geneva in 1966 providing for resolution of the problem in a manner acceptable to both countries. In 1970, Guyana and Venezuela signed a protocol in Port-of-Spain, Trinidad and Togago, which shelved the dispute for 12 years.

Mr Jackson said that relations between Guyana and Venezuela had deteriorated since Caracas renewed its claims to Guyanese territory. "The regime of harmonious relations which the Protocol of Port-of-Spain itself introduced, and which in a large measure was successful, no longer exists. We would hope that this would not be a permanent state of relations between the two countries," he said.

Mr Jackson charged that Venezuela's revival of the border dispute was in contravention of the Protocol of Port-of-Spain. He said that the treaty which expires next June prohibits both countries from ascertaining, promoting and prosecuting any claims against each other's territory. "...so that to the extent that Venezuela has resuscitated the claim in the manner in which it did so, it is in breach of the Protocol of Port-of-Spain."

Mr Jackson also accused Venezuela of attempting to have the World Bank block financial assistance for the construction of a hydroelectric power plant in the Essequibo region. "This is in contravention of many norms of international law. It is nothing but economic aggression. It is not the only evidence of a manifestation of Venezuelan hostility to Guyana and to its development prospects. We know for a fact that they have also approached governments urging them not to participate in projects in western Guyana.

This again is in contravention, not only of the Protocol of Port-of-Spain itself, but in the face of the agreements which have been reached at the recently-concluded conference on economic cooperation among developing countries, held in Venezuela itself in May," he added.

Mr Jackson said that Guyana was not alone in its border dispute with Venezuela but was getting support from Caribbean countries. The Caribbean Community (CARICOM) foreign ministers at their meeting here this week reaffirmed support for the territorial integrity of Guyana. They said that the action of Venezuela against Guyana did not accord with the fundamental principles governing international relations and called on Caracas to settle the territorial dispute with Guyana by peaceful means.

FOREIGN MINISTER HOLDS TALKS WITH SURINAME

FL062256 Bridgetown CANA in English 2244 GMT 6 Jul 81

[Text] Georgetown, Guyana, 6 Jul (CANA)--Suriname's proposed Kabalebo hydroelectric project and improved means of travel across the Corentyne River featured prominently in talks last week in Paramaribo between the foreign ministers of Guyana and that neighboring nation. A communique published here said that Guyana's Foreign Minister Rashleigh Jackson and his Suriname counterpart, Harry Naarendorp, initialed a draft agreement on the hydroelectric project, and the final signing would take place not later than 11 July.

The contents of the draft agreement were not released. The hydroelectric project, to be build in western Suriname, close to the Guyanese border is intended to boost that country's agricultural production, and observers believe that the cooperation of Guyana is necessary because of the possible environmental impact. Discussions on an improved ferry service across the Corentyne River between the two countries have been taking place for some time and the project has received initial feasibility funding from the European Economic Community (EEC). Two engineering firms in Guyana and Suriname recently signed contracts to carry out the study.

The communique said that the study would take in also the prospects for bridging the Corentyne River. Bilateral and international relations also featured during Mr Jackson's visit to Paramaribo at the invitation of Mr Naarendorp, the communique said. On bilateral relations, the two foreign ministers "reaffirmed that their governments are firmly committed to solving the outstanding issues between them" by consultation and on the basis of sovereign equality, mutual respect, and mutual interest.

Special mechanism established in 1971 for the resolution of such issues would be used, the communique added. One major outstanding issue is a claim by Suriname to some 6,000 square miles of Guyana's eastern territory in the new river triangle, but this subject was not mentioned in the communique.

According to the communique, the two ministers "reaffirmed their belief in the peaceful settlement of disputes with full respect for the national sovereignty and territorial integrity of the states involved." They also resolved "to continue to make efforts to cement the good neighborly relations between the two countries and pledged themselves to increase and intensify cooperation at all levels which would facilitate this development."

Concern over "the increasing tendency of states in the region to enter the arms race," the Caribbean as a zone of peace, establishment of a new world economic order, the need for "an early return to peace and stability in El Salvador" and "full support" for the independence of Belize before year-end were also expressed in the communique.

SPOKESMAN SAYS ESPIONAGE CHARGES 'ABSURD'

PA022132 Paris AFP in Spanish 1758 GMT 29 Jun 81

[Excerpts] Georgetown, 29 Jun (AFP)--Reports from Caracas saying that three Guyanese fishing boats were captured in Venezuela because they were involved in espionage activities were described by a government spokesman here today as "absurd."

The fishing boats "Strange Cargo," "Trinity" and "Black Whip" were intercepted by Venezuelan military launches 15 days ago and were taken to Tucupita port in the mouth of the Orinoco River.

The government spokesman, consulted by AFP, said that the three fishing boats captured by Venezuelan authorities were strictly involved in normal fishing activities when they were intercepted.

Moreover, the Foreign Ministry here is following with interest the trip of Venezuelan Foreign Minister Jose Alberto Zambrano to India which started today and will last until Thursday.

Sources of the Guyanese Foreign Ministry directly linked Zambrano's trip to India with the Venezuelan claim over two-thirds of the Guyanese territory.

GUYSUCO REPORTS LOW PRODUCTION, HIGH PROFITS

FL031241 Bridgetown CANA in English 1022 GMT 3 Jul 81

[Excerpts] Georgetown, Guyana, 3 Jul (CANA)--A late start to the crop combined with unseasonal rains helped to severely restrict Guyana's 1980 sugar production, but prevailing high prices helped the state-owned Guyana Sugar Corporation (GUYSUCO) to record its best financial results since the industry's nationalization 5 years ago. This was announced in the 1980 report and accounts of the corporation made available in parliament recently.

Production of sugar for the year stood at 269,634 tons, or 19.5 percent of the original projection of 335,005 tons. But improved world market prices, coupled with preferential tariff treatment in the United States resulted in GUYSUCO recording sales totaling Gdlrs 328.8 million for the year, up from Gdlrs 259.2 million the year before. The net income before taxes was Gdlrs 6.2 million, (1 Guy dollar; 25 cents U.S.) higher than the Gdlrs 2 million recorded in 1979, and equaled only by the Gdlrs 6.2 million of the 7 months of 1975 when the industry was nationalized. At the same time, the after taxation profit last year, at Gdlrs 5.3 million, was the best ever since nationalization 26 May 1976.

The European Economic Community (EEC)--mainly Britain--was as usual the main purchaser of Guyana's sugar under the LOME convention, taking some 55 percent of the exportable production: 127,992 tons bulk and 2,060 tons specials. Sales to the United States, where Guyana was at last granted generalized system of preferences (GSP) treatment, increased from 37,470 tons in 1979 to 60,847 tons last year. Sales to Canada, described as a "heavily oversold sugar market," declined from 75,225 tons to 35,681 tons.

The home market took 31,811 tons and was fully supplied. Other markets were the Caribbean Common Market (4,843 tons), and a new market in Tanzania where the corporation shipped 4,921 tons of bagged sugar, for which it encountered considerable problems because it is geared to large bulk shipments. GUYSUCO Chairman Harold Davis reported also encouraging results from the corporation's other crops division, in cultivation of such crops as cassava, oil palm, pumpkins, corn, blackeye peas and fish.